

# Business and Property Committee

Date: **Tuesday, 03 July 2018**

Time: **10:00**

Venue: **Edwards Room, County Hall,  
Martineau Lane, Norwich, Norfolk, NR1 2DH**

**Persons attending the meeting are requested to turn off mobile phones.**

## **Membership**

Mr K Kiddie (Chairman)

Mr T Adams

Ms C Bowes

Mr R Brame

Mr F Eagle

Mr B Iles (Vice-Chairman)

Mr A Jamieson

Mr T Jermy

Mr M Kiddle-Morris

Mr C Smith

Mr J Timewell

Mrs K Vincent

Mrs C Walker

**For further details and general enquiries about this Agenda  
please contact the Committee Officer:**

Hollie Adams on 01603 223029  
or email [committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)

**Under the Council's protocol on the use of media equipment at meetings held in public, this meeting may be filmed, recorded or photographed. Anyone who wishes to do so must inform the Chairman and ensure that it is done in a manner clearly visible to anyone present. The wishes of any individual not to be recorded or filmed must be appropriately respected.**

## A g e n d a

1. **To receive apologies and details of any substitute members attending**

2. **Minutes**

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To confirm the minutes of the 15 May 2018

3. **Declarations of Interest**

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is on your Register of Interests you must not speak or vote on the matter.

If you have a **Disclosable Pecuniary Interest** in a matter to be considered at the meeting and that interest is not on your Register of Interests you must declare that interest at the meeting and not speak or vote on the matter

In either case you may remain in the room where the meeting is taking place. If you consider that it would be inappropriate in the circumstances to remain in the room, you may leave the room while the matter is dealt with.

If you do not have a Disclosable Pecuniary Interest you may nevertheless have an **Other Interest** in a matter to be discussed if it affects

- your well being or financial position
- that of your family or close friends
- that of a club or society in which you have a management role
- that of another public body of which you are a member to a greater extent than others in your ward.

If that is the case then you must declare such an interest but can speak and vote on the matter.

4. **Any items of business the Chairman decides should be considered as a matter of urgency**

5. **Public QuestionTime**

Fifteen minutes for questions from members of the public of which due notice has been given.

Please note that all questions must be received by the Committee Team ([committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)) by **5pm Thursday 28 June 2018**.

For guidance on submitting public question, please visit [www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/ask-a-question-to-a-committee](http://www.norfolk.gov.uk/what-we-do-and-how-we-work/councillors-meetings-decisions-and-elections/committees-agendas-and-recent-decisions/ask-a-question-to-a-committee) or view the Constitution at [www.norfolk.gov.uk](http://www.norfolk.gov.uk).

## **6. Local Member Issues/ Member Questions**

Fifteen minutes for local member to raise issues of concern of which due notice has been given.

Please note that all questions must be received by the Committee Team ([committees@norfolk.gov.uk](mailto:committees@norfolk.gov.uk)) by **5pm on Thursday 28 June 2018**.

## **7. Update from Members of the Committee regarding any internal and external bodies that they sit on.**

## **8. Appointments to Outside Bodies**

Since the last meeting of the Committee, it has necessary to make some changes to appointments to outside bodies as follows:

- Norwich Airport Board (Non-Executive Director) (1 plus 1 sub). It is proposed that Cllr Proctor takes on the role, with Cllr Plant as substitute
- Norfolk Chamber of Commerce and Industry (1). It is proposed that Cllr Proctor takes on the role.

The Committee is recommended to make the above appointments to outside bodies

## **9. Opportunities for the Digital Economy**

**Page 17**

A report by the Executive Director of Community and Environmental Services

## **10. Forward Plan and delegated decisions**

**Page 23**

A report by the Executive Director of Finance and Commercial Services and the Executive Director of Community and Environmental Services

## **11. Finance Monitoring Report**

**Page 32**

A report by Executive Director, Community and Environmental Services and the Executive Director, Finance and Commercial Services

## **12. Performance Management**

**Page 38**

A report by Executive Director, Finance and Commercial Services and the Executive Director, Community and Environmental Services

## **13. Risk Management**

**Page 48**

A report by the Executive Director, Finance and Commercial Services

<b>14. Disposal and Acquisition and exploitation of Properties</b>	<b>Page 57</b>
A report by Executive Director Finance and Commercial Services	
<b>15. Exclusion of the Public</b>	<b>Page</b>
<div style="border: 1px solid black; padding: 10px;"> <p>The committee is asked to consider excluding the public from the meeting under section 100A of the Local Government Act 1972 for consideration of the items below on the grounds that they involve the likely disclosure of exempt information as defined by Paragraphs 1, 3 and 3.5 of Part 1 of Schedule 12A to the Act, and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. The committee will be presented with the conclusions of the public interest test carried out by the report author and is recommended to confirm the exclusions.</p> </div>	
<b>16. Norwich Airport Industrial Estate</b>	<b>Page</b>
A report by the Executive Director of Finance and Commercial Services	
<b>17. Breckland and Norfolk County Council Bridge</b>	<b>Page</b>
A report by the Executive Director of Finance and Commercial Services	
<b>18. Repton Property Developments Ltd; Update</b>	<b>Page</b>
A report by the Executive Director of Finance and Commercial Services	
<b>19. County Farms update</b>	<b>Page</b>
A report by the Executive Director of Finance and Commercial Services	
<b>20. Exempt Minutes</b>	<b>Page</b>
To agree the Exempt minutes of the meeting held on the 15 May 2018	

### **Group Meetings**

Conservative	9:00am	Leader's Office, Ground Floor
Labour	9:00am	Labour Group Room, Ground Floor
Liberal Democrats	9:00am	Liberal Democrats Group Room, Ground Floor

**Chris Walton**  
**Head of Democratic Services**  
 County Hall  
 Martineau Lane  
 Norwich



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## **Business and Property Committee**

**Minutes of the Meeting held on Tuesday, 15 May 2018 at  
10:00 am in the Edwards Room at County Hall**

**Present:**

Mr K Kiddie (Chairman)

Mr T Adams

Mr Michael Chenery of Horsbrugh

Mr F Eagle

Mr B Iles (Vice-Chairman)

Mr A Jamieson

Mr T Jermy

Mr M Kiddle-Morris

Mr C Smith

Mrs A Thomas

Mr J Timewell

Mrs K Vincent

Mrs C Walker

### **1. Apologies and Substitutions**

- 1.1 Apologies were received from Ms C Bowes and Mr R Brame (substituted by Mr Michael Chenery of Horsbrugh and Mrs A Thomas respectively).

### **2. Minutes**

- 2.1 The minutes of the meeting held on the 14 March 2018 were **AGREED** as an accurate record and signed by the Chairman, subject to an amendment at 2.1.

### **3. Members to Declare any Interests**

- 3.1
- The Executive Director of Finance and Commercial Services declared a non-pecuniary interest as a Non-Executive Director of Equinox Enterprises at Great Yarmouth Borough Council;
  - Mr Jamieson declared a non-pecuniary interest as a Director of Norse;
  - Mrs Vincent declared a non-pecuniary interest as a NCC Shareholder representative for Norse;
  - Mr Timewell declared a non-pecuniary interest as he was part of a company which rented property at Scottow Enterprise Park; and he was a director of a modular buildings company.
  - Mr Kiddie declared a non-pecuniary interest as a Director of Repton.

### **4. Urgent Business**

- 4.1 There was no urgent business.

### **5. Public Questions**

- 5.1 There had been no public questions submitted.

## 6. Member Questions

There had been one Member question submitted from Cllr Mick Castle which is at appendix 1 of these minutes.

## 7. Verbal update/feedback from Members of the Committee regarding Member Working Groups or bodies that they sit on.

- 7.1 The Chairman reported that he had attended the Board meeting at Hethel; been busy with Repton Board; been part of the appointment board for the County Farms tenancies; been to the Royal Norfolk agricultural Annual General Meeting and as the Armed Forces Champion met Lord Dannant for a briefing at Norwich Research Park where it was announced that £40 million would be invested into research.
- 7.2 The vice-Chairman reported that he had attended the Repton Board.
- 7.3 Mr Eagle reported that he had attended three meetings of the Agri-Tech Board.
- 7.4 Mrs Walker reported that she had been attending the meetings of the Yarmouth Town Centre Management Board where ideas to improve the town were going ahead.
- 7.5 At this point in the meeting, the Committee received an update on Apprenticeships from Cllr Stuart Clancy in his role of Apprenticeships Champion which is attached at appendix 2. Members asked if they could be provided with regular data which tracked progress, possibly by district and sector. There was also concern raised that the numbers of apprentices had halved and members questioned if any work was being carried out to encourage work experience which would then lead onto an apprenticeship. Officers confirmed that from the newly ignited apprenticeship network, the new website and more support being given to employers around the levy, numbers were on the rise again. More work needed to be undertaken with schools and parents to promote apprenticeships and encourage vocational opportunities.

## 8. Forward Plan and Delegated Decisions

- 8.1 The Committee received the annexed report (8) which set out the Forward Plan for the Committee and updated them on relevant decision taken under delegated powers by the relevant Executive Director or their team.
- 8.2 Members suggested receiving a presentation from Karen Knight of Norse Care about the potential exploitation of NCC's property portfolio at a future meeting. As part of this it was suggested to invite members of the Adult Social Care Committee as although it predominantly would be about property, it would consider the capacity of the care market.
- 8.3 The Committee;
  - **AGREED** to receive a presentation from Karen Knight at the July meeting.
  - **NOTED** the delegated decisions.

## **9. Annual Review of Business and Property Committee activities**

- 9.1 The Committee received the annexed report (9) which set out the Committee's three year forward plan which set out its areas of responsibility which would be shaped by the ambition of the County Council's new strategy.
- 9.2 The Executive Director explained that it was vital to get the first development of Repton at Acle correct and this would take time but it would start in 2019.
- 9.3 It was confirmed that the Committee had added value and there were achievements made as a result. The Committee had given focus to County Farms which had been problematic in the past.
- 9.4 The appointment of the two non-executive directors for Repton were being finalised and would be published as soon as possible.
- 9.5 The Committee;
- **AGREED** Business and Property Plan as set out in Appendix 1
  - **NOTED** the Committee's contribution to, and responsibilities, for Norfolk Futures, NCC's transformation plan.
  - **AGREED** the performance measures against which the committee will report to Policy and Resources Committee for monitoring purposes, as set out in para 1.1.8 of the report.

## **10. Regeneration of Yarmouth Riverside and Town Centre**

- 10.1 The Committee received the annexed report (10) which provided members with an overview of the development of Great Yarmouth Town Centre and Waterfront, and the County Council's role.
- 10.2 Although the report was welcomed and long overdue, residents of Great Yarmouth wanted to see improvements made quicker. Progress was however being made and were visible. It was explained to Members that in planning terms a planning strategy for 2025 was relatively quick and although it was a long term strategy, there would be objectives met before then. The Economic Development Manager confirmed that now plans for the third bridge crossing had been made more certain, plans for Hall Quay could now be started.
- 10.3 The Committee heard that the strategy was being developed in collaboration with Great Yarmouth Borough Council and they were grateful for all the input from NCC.
- 10.4 The Committee **NOTED**;
- The contents of the report

## **11. Economic Development – strategic context for Norfolk**

- 11.1 The Committee received the annexed report (11) which set out the shorter term, five year, performance targets, to inform delivery plans and the mechanisms for monitoring delivery of the targets. The report also set out Norfolk's contribution to delivery of the Norfolk and Suffolk Energy Coast, including proposals for spending Economic Development's 2018-19 funding.



- 11.2 Members were keen to see Norwich become one of the top fastest growing cities but in order for it to happen, things had to be pushed forward and employment and housing etc. had to be pushed for harder.
- 11.3 The targets referred to on page 29/30 of the report had been set by the Local Enterprise Partnership in 2016 using a series of methodologies. There was no reason why those targets wouldn't be delivered.
- 11.4 The Economic Strategy and Commissioning Manager confirmed that they had come to the end of the contract with Visit Norfolk so the only money they received was a £10k marketing grant. Visit Norfolk used to receive £40k and the website was hosted for them.
- 11.5 Members felt it was essential to align the priorities with the funding bids submitted so that delivery was achieved. The specific priority places for Norwich and Greater Norwich were vague in the report but this would be covered by the Norwich Growth Board. It was difficult to specify which priorities would be preferable as it depended on opportunities and work which was being carried out by Leaders of the Councils.
- 11.6 The Strategy was designed around giving the best opportunities for local growth. There had been an evidence based study to support the strategy and then it was a decision of the Councils where the funds were invested.
- 11.7 The Committee felt that it was important to keep medium size developments on the radar as they were easy to achieve and would deliver economy growth alongside housing growth. Over the last 20 years, investment had been spread thin which had slightly inhibited growth. Higher value companies needed to move into the area which would create higher paid jobs meaning lower paid jobs would become available and more people could enter the labour market. However, it was important to remember where people lived and create business around those areas.
- 11.8 The Committee heard that as the funding decreased year on year, it was essential that money was found in order to deliver the strategies. They were predominantly funded by external funds.
- 11.9 The Committee agreed to receive a presentation from Nigel Best at a future meeting around grants for small businesses. This could also be an opportunity to update the Committee on the European Funding Bid.
- 11.10 The Committee;
- **NOTED** the proposals outlined in the report and gave feedback where appropriate.
  - **AGREED** to receive a small business grant presentation from Nigel Best at the September meeting.

## **12. Finance Monitoring**

- 12.1. The Committee received the annexed report (12) which provided the Committee with information on the budget position for services reporting to Business and Property Committee for 2017-18. It provided information on the revenue budget outturn for 2017-18 and the revenue budget values for 2018-19. It also provided an update on the use of reserves and details on the capital programme.

12.2 The Executive Director of Finance and Commercial Services highlighted that Scottow Enterprises had over achieved by contributing £374k rather than their projected figure of £200k. Members asked what had been the total investment into Scottow and the Executive Director agreed to bring a more detailed report to the next meeting.

12.3 The Committee **NOTED**;

- The 2017-18 revenue outturn position for this Committee, and the 2018-19 revenue budget values.
- The capital programme for this Committee
- The actual use of reserves in 2017-18 and the balance of reserves carried forward to 2018-19.

### 13. Appointments to Internal and External Bodies

13.1 The Committee received the annexed report (13) which set out the internal and outside appointments relevant to the Committee together with the current representative.

13.2 The Committee reviewed the memberships and **AGREED** to duly appoint members as set out in Appendix 3 of these minutes.

### 14. Disposal, acquisition and exploitation of Properties

14.1 The Committee received the annexed report (14) which outlined proposals for exploiting properties surplus to operational requirements, pro-actively releasing property assets with latent value where the operational needs could be met from elsewhere and strategically acquiring property to drive economic growth and wellbeing in the County.

14.2 The Head of Property confirmed that Local Members had been contacted for comments about potential disposal of property.

14.3 The Head of Property confirmed that under NCC's adopted policy if any community groups were interested in the land, it must be acquired at the open market value.

14.4 The Committee;

- **ENDORSED** the key principles forming the policy on the treatment of retained land and sites following the conversion of schools to academies.
- **Formally DECLARED** the land at Stibbard Road, Fulmondeston surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits, the Head of Property in consultation with the Executive Director of Finance and Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.
- **AGREED** to the acquisition of a licence for 3 years for 16 dedicated and 14 hot desks at South Norfolk House, Cygnet Court, Long Stratton for a fee of £31,500 per annum (pa).
- **AGREED** to the leasing of the Queens Road Land, Norwich to Sentinel House Buildings Ltd for a 30-year term at £2000 pa.
- **Formally DECLARED** the land adjacent Ashleigh Infant School, Wymondham surplus to requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits, the Head of

Property in consultation with the Executive Director of Finance and Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.

## **15. Exclusion of the Public**

- 15.1 The Committee **AGREED** to exclude the public from the meeting under section 100A of the Local Government Act 1972 on the basis of the conclusions of the public interest tests.

## **16. County Farms Estate Management Update**

- 16.1 The Committee received the annexed report (16) which provided an update on the County Farms estate since its last meeting.
- 16.2 The Committee **AGREED** the recommendations as set out in the report.

## **17. Acquisition of Farm Lane**

- 17.1. The Committee received the annexed report (17) which presented the proposal for the purchase of land at Avenue Farm, Halvergate.
- 17.5 The Committee **AGREED**;
- To the purchase of 168.91 acres (68.36 ha) of farm Land at Avenue Farm, Halvergate.

The Meeting ended at 12.30pm.

**Mr Keith Kiddie, Chairman,  
Business and Property Committee**



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## **MEMBER/PUBLIC QUESTIONS TO BUSINESS AND PROPERTY COMMITTEE : TUESDAY 15 MAY 2018**

### **6. MEMBER QUESTIONS**

#### **6.1 Question from Cllr Mick Castle**

Whilst acknowledging the County Council's vital role in recent years in terms of infrastructure improvements it remains a truism that no major housing developments have taken place on Yarmouth Riverside since the demise of both EEDA and the 1st East URC in 2010-11.

Would the Chairman support further Norfolk County Council involvement to break this impasse given the multiple land owners, low land values and the significantly higher costs for developers in brownfield sites, including treatment of contaminated land and flood amelioration measures?

NCC Officers by handling strategic land assembly, master planning and viability assurance aspects could unlock development of 1000+ homes in these key brownfield sites of the town

#### **Response by Chairman of B&P Committee**

The County Council already works closely with the Borough Council on a range of issues, including inward investment, promotion and regeneration issues. We have a long history of co-operation which included helping to set up 1st East.

The difficulties Cllr Castle mentions were initially identified by 1st East and they combine to make the riverside site a significant challenge and we will continue to support the Borough Council to help deliver the Area Action Plan for the Waterfront in any way we can. There are a number of discussions underway already with the Borough Council, looking at how we can best support the Borough Council overcome these issues. A report will be taken in due course to the Borough Councils Policy and resources Committee

We support all of our Districts in helping to develop their regeneration ambitions, particularly around housing. This ranges from enabling funding from third parties through to direct financial investment on schemes where appropriate and feasible.

The report illustrates the many major road infrastructure and public realm works we have undertaken, or are in the pipeline, as well as the Third River Crossing and the planned A47 improvements which will in combination help attract more private investment into Gt Yarmouth.

In addition, the report describes the ambitious plans that the Borough Council has developed for the Town Centre, which are already underway. These will also help to attract investment into other parts of the town, including the waterfront areas.

However, we would welcome specific proposals from Cllr Castle as to what else the County Council should be doing.

## **Apprenticeship Update from Cllr Stuart Clancy – Apprenticeship Ambassador**

I chaired a meeting of the Apprenticeship Network on Tuesday 1<sup>st</sup> May 2018 for the AGM, which had a focus on reviewing the network. A group discussion took place which will lead to the development of an action plan looking at how partners can contribute better in delivering increased Apprenticeship take up going forward and address the difficult issues the recent reforms have created.

The new Apprenticeship Training Agency working with vulnerable and NEET young people through has started and we have 5 young people have started in the programme.

Working in Partnership with NEACO, advisers have been working with 16-18 year olds to help them into higher or degree level apprenticeships. A gap in supporting young people in school and employer engagement exists and the Apprenticeship team are working to secure external funds to support this valuable work.

The team are working with district councils and through social media to increase the visibility of apprenticeship with SME's across the County. This is the area that has been most affected by the reforms in the system.

Colleges have taken the changes in the system to change the way they recruit apprentices from what was an open ended approach i.e. when the person was ready, to a more structured term based process of recruitment in September and January. This is impacting on employers who really need a more flexible approach. The team are working with private sector providers to try and keep more flexibility in the system.

The recent focus of developing new standards has been exclusively on level 3 and higher. I will be writing to ministers this week to encourage them to maintain an equal focus on level 2 standards as these are so important for many of Norfolk's young people.

### **Current Challenges;**

**Decline in Apprenticeship starts for 16-18 year olds**

**Lack of engagement and funding in Apprenticeships for SME's/Non-Levy employers**

**Decline in intermediate apprenticeships (Level 2) due to frameworks being switched off and standards not being developed frequently at this level.**

## **Business and Property Committee - Outside Bodies Appointments**

### **2018/19 Appointments shown**

1. Agri-Tech (Eastern) Programme Board (1)

Fabian Eagle

This body makes decisions on the eastern Agri-Tech Growth Initiative Programme Board about which projects to fund from this specific Regional Growth Funded scheme.

2. BID (Norwich Business Improvement District) (1)

Steve Morpew

The Norwich BID is run for local businesses by local businesses. It aims to make a clear positive impact on the vitality of the City centre and the business within it.

3. Norwich Airport Consultative Committee (1)

Shelagh Gurney, (Sub David Collis)

These meetings are a DfT requirement to enable aerodrome operators and communities in the vicinity of the airport to discuss operational and business matters affecting their interests.

4. Norwich Airport Board (Non-Executive Director) (1)

Cliff Jordan (Sub Alison Thomas)

5. Norfolk Rail Group (4)

Tony White  
Brian Long  
Tim East  
Michael Chenery

To consider strategic rail policy issues and respond to such issues as they arise, and lobby and pursue rail policy objectives on a continuing basis between Norfolk Rail Policy Group meetings.

6. Norfolk Chamber of Commerce and Industry (1)

Alison Thomas

Norfolk Chamber of Commerce is an independent, not-for-profit Company that aims to support its membership be more successful and to improve the Norfolk economy.

7. Thetford Development Board (1)

Roy Brame

8. New Anglia Skills Board for Norfolk and Suffolk (1 plus 1 Substitute)

Stuart Clancy (Sub Colleen Walker)

A sub group of the LEP Board which is tasked with steering the implementation of the Greater Norwich/ Greater Ipswich City Deals and the Strategic Economic Plan. Membership consists of representatives of the Further Education sector and training providers with employers. Both Norfolk and Suffolk County councils are represented and can nominate a substitute.

9. Town Centre Company (Great Yarmouth) Ltd (1)

Mick Castle

The Partnership meets and discusses all relevant issues concerning the Town Centre.

10. Hethel Innovation Ltd (2)

Keith Kiddie  
Colin Foulger

Runs Hethel Engineering Centre and provides innovation-led business support to businesses in Norfolk/East of England.

11. Great Yarmouth Port/Leisure Users Liaison Meeting (1)

Ron Hanton

12. Great Yarmouth Development Company - Area Board (1)

Colleen Walker

The Norfolk Development Company was established to promote economic development on behalf of the local authorities of Norfolk, with an initial emphasis on physical regeneration and development. The company provides a structure for joint ventures which enables new projects to be agreed and implemented more quickly. Individual companies can be established – the first to do so was the Great Yarmouth Development Company, a 50-50 partnership between the County Council and Great Yarmouth Borough Council. The agreement states the representative should be the lead member for Economic Development. Clarification is being sought as to the continuing need for representation on this body

13. Royal Norfolk Agricultural Association (1)

Keith Kiddie

The objectives of the Association are to promote, through the Royal Norfolk Show and other events, the image, understanding and prosperity of agriculture and the countryside.

14. Rural Strategy Steering Group (1)

Tom Garrod

**Member Champions**

Apprenticeships – Stuart Clancy

Rail – Michael Chenery



# Business and Property Committee

Item No.....

<b>Report title:</b>	<b>Opportunities for the Digital Economy</b>
<b>Date of meeting:</b>	<b>3 July 2018</b>
<b>Responsible Chief Officer</b>	<b>Executive Director of Community and Environmental Executive Services</b>
<b>Strategic Impact:</b> The Information and Communications Technology Sector is identified in the Norfolk and Suffolk Economic Strategy as one of the key business sectors that drives the county's economy. Much of our support for the sector is channelled through the TechEast, which the County Council helped establish, and this report provides background information, ahead of a presentation to members by TechEast Ltd Chief Operating Officer (COO), Tim Robinson.	

## Executive Summary

Building on the interest in the digital creative sector expressed by members at the last committee (arising from the broad overview presented of the work of the Economic Development service), this paper provides a brief introduction to tech sector initiatives on a national and regional level. It also provides an opportunity to hear about the key findings of the recently published Tech Nation 2018 report.

The paper introduces Tech East Ltd, a company wholly owned by the Suffolk Chamber of Commerce, but whose start-up has been funded by Norfolk and Suffolk local authorities alongside the LEP, in order to:

- strengthen and promote the tech sector across the two counties,
- drive knowledge sharing across sectors; stimulating innovation, R&D and skills development
- provide a strong voice to UK government, investors and the media, and thereby to grow the region's economy.

Tim Robinson, COO (Chief Operating Officer) of Tech East Ltd , will give a presentation to members on:

- The way in which this recently established sector lobby organisation has developed over its first year or so of activity, its short and medium terms delivery plans, and longer term commitment galvanise and support productivity and innovation across the wider Norfolk economy.
- The headline findings of the 2018 Tech Nation report, and their implications for the sector in Norwich, and the county.

### Recommendations:

Members are asked to:

- i) Note the report and associated presentation
- ii) Identify any areas for further discussion and review, if necessary.

## **1 Background – the national picture**

- 1.1 The UK's tech sector is important. On a national scale, the May 2018 Tech Nation report, states that:
- The UK's digital tech sector grew 2.6 times quicker than the rest of the economy between 2016 and 2017, with the industry now being worth nearly £184 billion.
  - The digital tech companies' turnover grew by 4.5% between 2016 and 2017, whilst UK GDP grew by 1.8%.
  - Tech employment is booming, rising at five times the rate of the rest of the economy.
  - 2017 was a great year for funding. British digital tech companies raised £5.8 billion in venture capital investment during the year, almost double that of the year previous.

## **2. Recent national trends**

- 2.1 Terms such as **Industry 4.0** have become familiar (the next phase of the digitisation of the manufacturing sector), driven by four 'disruptions':
- the rise in data volumes, computational power and connectivity
  - the emergence of analytics and business-intelligence capabilities;
  - new forms of human-machine interaction such as touch interfaces and augmented-reality systems;
  - improvements in transferring digital instructions to the physical world: consider advanced robotics, and 3-D printing.
- 2.2 Business analysts are suggesting that manufacturers should also consider potential new business models:
- platforms – in which products, services and information can be exchanged via predefined streams
  - Pay-by-use and subscription-based services, turning machine from capex (capital expenditure) to opex (operational expenditure).
  - License of intellectual property.
  - Businesses that monetise (derive financial value from) data.

## **3. Background – the regional picture**

- 3.1 Our Norfolk and Suffolk Economic Strategy (NSES) was published in autumn 2017 as a shared endeavour between businesses, education providers, local authorities and the voluntary and community sector. It outlines ambitious plans for future growth and focusses on actions needed to deliver success.
- 3.2 The NSES promises to:

- improve digital connectivity, with a particular focus on super-fast broadband in rural areas and reliable mobile phone coverage for those travelling around the region
- prioritise digital and physical infrastructure projects to support businesses to develop
- set up new schemes to help high growth businesses and make it easier to access advice and funding for commercial innovation.
- Establish new centres of excellence to improve productivity and innovation
- Work across sectors to help businesses collaborate on increasing common requirements for technical know-how and access to new markets, and sharing technologies across sectors to encourage growth

3.3 NSES success will be measured by quantifying the following:

- Improved Gross Value Added: additional jobs: greater delivery of new housing; increased employment; increased productivity; increased numbers of new businesses started; increased median wages; increased numbers of local residents with an NVQ 3 or above.

3.4 It is notable that almost all of these measurements might expect to be positively enhanced by a healthy and growing ICT sector.

#### **4. NSES recognition of the importance of the tech sector**

4.1 The NSES has identified ICT, Tech and Digital Creative as key sectors for support. Norwich is noted for its fast-growing digital creative hub.

4.2 New Anglia LEP lists our strengths as telecoms, cyber security, quantum technology, Internet of Things and UX design.

4.3 Tech will help the LEP and its partners deliver on several of its ambitions:

- to be a place where high growth businesses with aspirations choose to be
- a high performing productive economy
- an internationally facing economy with high value exports
- an inclusive economy with a highly skilled workforce.

#### **5. University Support**

5.1 The complementary strengths of our two universities, UEA and Norwich University of the Arts (NUA) have been crucial to the strong development of our tech and digital creative sectors locally.

5.2 UEA's strong school of computing has long provided a source of graduates to the local business community, and in particular data scientists and software engineers. Additionally, Fiona Lettice has been a strong supporter of the tech sector – Fiona and John Fagan brought their nascent plans for a Sync the City hackathon to Norfolk County Council and encouraged us to join with them in

developing what has become a cornerstone event each year for combining business mentors and graduates in developing new product ideas.

- 5.3 UEA has also supported a range of local tech initiatives and Fiona Lettice sits on the TechEast Board, for example, and on the advisory board supporting the fledgling TechVelocity.
- 5.4 NUA meanwhile, a small university by size comparison, has burst onto the academic scene and quickly won plaudits for some of the specialist gaming and creative courses they offer. NUA graduates include art and design, and UX – user experience specialists, along with games developers.
- 5.5 Sara Steed (NUA) chairs the Creative Industries Group (previously Digital Creative), which is the LEP sector group for the creative industries. It nevertheless has a strong overlap with TechEast as our ICT / tech sector group and there is strong cross-fertilisation between the groups. NUA likewise has been keen to build links to the local community, and has supported the development of the Norwich Gaming Festival, for example.

## 6. Recent tech initiatives in Norfolk

- 6.1 We briefly list here recent initiatives developed by public sector, private sector, or jointly in Norfolk and Suffolk.
  - **TechEast Ltd** is the most substantial intervention which we have supported within this sector in recent years. Incorporated as a company in February 2016, and in December 2016 it successfully won funding from the Norfolk Pooled Business Rates Scheme. Funding was ring-fenced over three years, matched by contributions from the Suffolk Business Rates Pool and from New Anglia LEP, to give the company time to establish itself: whilst delivering from day one, essential support to the tech sectors based in Ipswich and Norwich. Tim Robinson, COO, will give a detailed presentation to members on the 3<sup>rd</sup> July.
  - **TechVelocity** is the East of England's first dedicated, not-for-profit, digital and tech accelerator. It brings together an ecosystem of mentors, investors and innovators to support and grow “explosively scalable” early stage businesses within the sector.
  - **Within the private sector** local companies are embracing artificial intelligence and other creative technologies to drive innovation. Rainbird AI, for instance, is an award-winning cognitive reasoning platform that helps businesses to automate complex decisions. At the start of 2018, it won a place on the Upscale 3.0 development programme run by Tech Nation.
  - **Other creative technology** companies in the region include Ubisend, Supapass, Nielsen Brandbank, Immersive VR, Axon Vibe, Prison Voicemail, and Train as One. Alongside them is a dynamic community of digital

marketing and PR agencies. These include Fountain, a Premier Google Partner Agency and 2017 winner of Google's Best Agency for Growing Businesses Online award.

- **Hot Source** is Norfolk's innovation forum and one of the longest established Meetup groups in the area. It has more than 1,100 members and over 3000 followers on twitter. It arranges quarterly events to explore the convergence of tech, design and creative thinking.
- **SyncNorwich** is the largest and most active Tech and Start-up community in the region, with over 1,500 members. Its flagship event is the annual Sync the City hackathon, which challenges attendees to build a start-up in 54 hours. George Davis, UEA student participated in November 2016, and by November 2017 had co-founded SenLab, a data analytics company who has since gained over £500,000 of investment.
- **Digital East Anglia** is one of the newest Meetup groups in the region. It focuses on IoT, AI, and 3rd party tools and services. It also hosts meetings of the Norfolk branch of The Things Network, a global community that uses LoRaWAN technology to build distributed IoT data networks.
- **LoRaWAN (Long Range Wide Area Network):** Broadland, Norwich, Norfolk and South Norfolk Councils' are all supporting the development of a LoRaWAN network across greater Norwich, and we will also support the launch of this new technology during summer 2018. A two day event to explore new business product development opportunities is likely to be scheduled in October 18, and we'll be aiming to interest both the business and schools communities.
- **The Creative Industries Group**, a LEP sector group, is actively seeking links between tech and the creative industries. Led by Norwich University of the Arts (NUA), various User Experience (UX) initiatives are being explored.
- **Incubators: Accelerators:** NUA are one of a number of agencies who support business start up groups, offering incubation and hot-desking (hatchery) space for their ex-students. Other operating models are offered by Liquid 11 at New Patricks Yard. Whitespace, the brainchild of Neil Garner has been operating out of St James Mill. Union House and St George's works are other options.
- **Norwich Digital Quarter.** Norwich City Council has commissioned research into how to enhance and expand the digital sector in central Norwich, with specific focus on creating a digital quarter. The County Council's Economic Development team intends to expand the research to better understand operating models for incubators and accelerators; exploring best practice digital entrepreneurship programmes elsewhere in the UK, so we can share

research and determine if there is a need for a public sector intervention to better enable the tech cluster to grow.

6.2 Many of the above initiatives are Norwich City-centric. Other tech developments elsewhere include:

- **Lintott Control Systems** has won a Queens Award for Innovation in 2018. The company provides an excellent illustration of the way knowledge transfer will benefit not only the tech sector itself, but also any other sector making use of new technologies. The company has developed a ground-breaking Digital Delivery Suite, known as i-Catalyst®. The online design tool radically reduces the design phase from tends of days to hours. But the design technology is linked to other systems. Electrical schematics, bill of materials, user manuals can all be created from the core data automatically.
- **The Kings Lynn Innovation Centre**, officially opened in 2016, won design awards in 2017, and is home to Peter Lawrence, founder of Human Capital Department, which won Enterprise Nation's title of Britain's Top HR Adviser in March 2018.

6.3. Tim Robinson, COO (Chief Operating Officer) of Tech East Ltd will expand on these, and other issues, with particular focus on the work of TechEast's current and future activity, and the implications of the 2018 Tech East report for the Norfolk tech sector.

## Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

**Officer name:** Vince Muspratt **Tel No. :** 01603 223450

**Email address:** [vince.muspratt@norfolk.gov.uk](mailto:vince.muspratt@norfolk.gov.uk)



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# Business and Property Committee

Item No.....

<b>Report title:</b>	<b>Forward Plan and decisions taken under delegated authority</b>
<b>Date of meeting:</b>	<b>3 July 2018</b>
<b>Responsible Chief Officer:</b>	<b>Executive Director of Finance and Commercial Services Executive Director of Community and Environmental Services</b>
<b>Strategic impact</b> Providing regular information about key service issues and activities supports the Council's transparency agenda and enables Members to keep updated on services within their remit. It is important that there is transparency in decision making processes to enable Members and the public to hold the Council to account.	

## Executive summary

This report sets out the Forward Plan for the Business and Property Committee. The Forward Plan is a key document for this committee to use to shape future meeting agendas and items for consideration, in relation to delivering business and property issues in Norfolk. Each of the Council's committees has its own Forward Plan, and these are published monthly on the County Council's website. The Forward Plan for this Committee is included at **Appendix A**.

This report is also used to update the Committee on relevant decisions taken under delegated powers by the relevant Executive Director (or their team), within the scheme of delegation.

### **Recommendations:**

**Business and Property (B&P) Committee are asked:**

- 1. To review the Forward Plan at Appendix A and identify any additions, deletions or changes to reflect key issues and priorities the Committee wishes to consider.**
- 2. To note the delegated decisions.**

## 1.0 Introduction

### 1.1 Forward Plan

1.1.1. The Forward Plan is a key document for this committee in terms of considering and programming its future business, in relation to business and property issues in Norfolk.

1.1.2. The current version of the Forward Plan is attached at **Appendix A**.

- 1.1.3 The Forward Plan is published monthly on the County Council's website to enable service users and stakeholders to understand the planning business for this Committee. As this is a key document in terms of planning for this Committee, a live working copy is also maintained to capture any changes/additions/amendments identified outside the monthly publishing schedule. Therefore, the Forward Plan attached at **Appendix A** may differ slightly from the version published on the website. If any further changes are made to the programme in advance of this meeting they will be reported verbally to the Committee.

## 1.2 **Delegated decisions**

- 1.2.1 The report is also used to update on any delegated decisions within the Terms of Reference of this Committee that are reported by the Executive Directors as being of public interest, financially material or contentious.

Subject: Norwich Northern Distributor Route (NDR) – land acquisitions.

Decision: To acquire land needed to enable delivery of the Northern Distributor Road (NDR) scheme. Formal notice (under Compulsory Purchase Order) was served on all landowners impacted by the NDR in January 2016. Since the update to Committee on NDR land acquisitions, four more acquisitions have been finalised. A detailed list of acquisitions can be made available for Members to view, if requested.

Taken by: In line with the process agreed by Business and Property Committee in January 2018, all acquisitions have been approved by the Head of Property, Executive Director of Finance and Commercial Services, Chair of Business and Property Committee and Chair of Environment, Development and Transport Committee.

Taken on: Various dates.

Contact for further information: David Allfrey, Major Projects Manager.  
Email: [david.allfrey@norfolk.gov.uk](mailto:david.allfrey@norfolk.gov.uk).  
Phone: 0344 800 8020.

**Subject: Property transactions (including sale, lease and acquisitions).**

Decision: As listed at **Appendix B**.

Taken by: Relevant officers, as set out in the scheme of delegation.

Taken on: As listed at **Appendix B**.



Contact for further information: Simon Hughes, Head of Property.  
Email: [simon.hughes@norfolk.gov.uk](mailto:simon.hughes@norfolk.gov.uk).  
Phone: 01603 222043.

## **2.0 Evidence**

2.1 As set out in the report and appendices.

## **3.0 Financial Implications**

3.1 There are no direct financial implications flowing directly from members noting this report. However, the delegated decisions themselves often have significant financial implications, for example capital receipts from the sale of land/property.

## **4.0 Issues, risks and innovation**

4.1 There are no other relevant implications to be considered by Members.

## **Officer Contact**

If you have any questions about matters contained or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

If you have any questions about matters contained in this paper please get in touch with:

<b>Officer Name:</b>	<b>Tel No:</b>	<b>Email address:</b>
Simon Hughes	01603 222043	<a href="mailto:simon.hughes@norfolk.gov.uk">simon.hughes@norfolk.gov.uk</a>



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## Appendix A

### Forward Plan for Business and Property Committee

Issue/decision	Implications for other service committees?	Requested committee action (if known)	Lead officer
<b>Meeting: 4 September 2018</b>			
Member briefings and site visits	No	To update members and view property assets.	Executive Director of Finance and Commercial Services (Simon George)
Forward Plan and delegated decisions	No	To review the Committee's forward plan and agree any amendments/additions.	Executive Director of Finance and Commercial Services (Simon George)
Finance Monitoring report	No	To review the service's financial position in relation to the revenue budget, capital programme and level of reserves.	Finance Business Partner (Andrew Skiggs)
Strategic and Financial Planning	No – all service committees will receive a report	To consider full budget savings proposals.	Executive Director of Finance and Commercial Services (Simon George)
Disposal, acquisition and exploitation of Properties	No	To consider proposals to dispose of and/or acquire properties	Head of Property (Simon Hughes)
County Farms update	No	To comment on performance and note any changing circumstances, consider and take action as required.	Head of Property (Simon Hughes)
<b>Meeting: 9 October 2018</b>			
Member briefings and site visits	No	To update members and view property assets.	Executive Director of Finance and Commercial Services (Simon

Issue/decision	Implications for other service committees?	Requested committee action (if known)	Lead officer
			George)
Forward Plan and delegated decisions	No	To review the Committee's forward plan and agree any amendments/additions.	Executive Director of Finance and Commercial Services (Simon George)
Finance Monitoring report	No	To review the service's financial position in relation to the revenue budget, capital programme and level of reserves.	Finance Business Partner (Andrew Skiggs)
Strategic and Financial Planning	No – all service committees will receive a report	To consider full budget savings proposals.	Executive Director of Finance and Commercial Services (Simon George)
Performance management	No	Comment on performance and consider areas for further scrutiny.	Business Intelligence and Performance Analyst (Austin Goreham)
Risk management	No	Review and comment on the risk information and consider any areas of risk that require a more in-depth analysis	Chief Internal Auditor (Adrian Thompson), Risk Management Officer (Thomas Osborne)
Disposal, acquisition and exploitation of Properties	No	To consider proposals to dispose of and/or acquire properties	Head of Property (Simon Hughes)
County Farms update	No	To comment on performance and note any changing circumstances, consider and take action as required.	Head of Property (Simon Hughes)
<b>Meeting: 6 November 2018</b>			
Member briefings and site visits	No	To update members and view property assets.	Executive Director of Finance and Commercial Services (Simon George)

<b>Issue/decision</b>	<b>Implications for other service committees?</b>	<b>Requested committee action (if known)</b>	<b>Lead officer</b>
Forward Plan and delegated decisions	No	To review the Committee's forward plan and agree any amendments/additions.	Executive Director of Finance and Commercial Services (Simon George)
Committee Plan	No	To agree plan	Executive Director of Finance and Commercial Services (Simon George)/Executive Director of Community and Environmental Services (Tom McCabe)
Finance Monitoring report	No	To review the service's financial position in relation to the revenue budget, capital programme and level of reserves.	Finance Business Partner (Andrew Skiggs)
Strategic and Financial Planning	No – all service committees will receive a report	To consider full budget savings proposals.	Executive Director of Finance and Commercial Services (Simon George)
Disposal, acquisition and exploitation of Properties	No	To consider proposals to dispose of and/or acquire properties	Head of Property (Simon Hughes)
County Farms update	No	To comment on performance and note any changing circumstances, consider and take action as required.	Head of Property (Simon Hughes)
<b>Meeting: 15 January 2019</b>			
Member briefings and site visits	No	To update members and view property assets.	Executive Director of Finance and Commercial Services (Simon George)
Forward Plan and delegated decisions	No	To review the Committee's forward plan and agree any amendments/additions.	Executive Director of Finance and Commercial Services (Simon George)

<b>Issue/decision</b>	<b>Implications for other service committees?</b>	<b>Requested committee action (if known)</b>	<b>Lead officer</b>
Finance Monitoring report	No	To review the service's financial position in relation to the revenue budget, capital programme and level of reserves.	Finance Business Partner (Andrew Skiggs)
Performance management	No	Comment on performance and consider areas for further scrutiny.	Business Intelligence and Performance Analyst (Austin Goreham)
Strategic and Financial Planning 2019-20 to 202-23 and revenue budget 2019-20	No – all service committees will receive a report	To consider full budget savings proposals.	Executive Director of Finance and Commercial Services (Simon George)
Risk management	No	Review and comment on the risk information and consider any areas of risk that require a more in-depth analysis	Chief Internal Auditor (Adrian Thompson), Risk Management Officer (Thomas Osborne)
Disposal, acquisition and exploitation of Properties	No	To consider proposals to dispose of and/or acquire properties	Head of Property (Simon Hughes)
County Farms update	No	To comment on performance and note any changing circumstances, consider and take action as required.	Head of Property (Simon Hughes)
<b>Meeting: 5 March 2019</b>			
Member briefings and site visits	No	To update members and view property assets.	Executive Director of Finance and Commercial Services (Simon George)
Forward Plan and delegated decisions	No	To review the Committee's forward plan and agree any amendments/additions.	Executive Director of Finance and Commercial Services (Simon George)
Finance Monitoring report	No	To review the service's financial	Finance Business Partner (Andrew

Issue/decision	Implications for other service committees?	Requested committee action (if known)	Lead officer
		position in relation to the revenue budget, capital programme and level of reserves.	Skiggs)
Performance management	No	Comment on performance and consider areas for further scrutiny.	Business Intelligence and Performance Analyst (Austin Goreham)
Risk management	No	Review and comment on the risk information and consider any areas of risk that require a more in-depth analysis	Chief Internal Auditor (Adrian Thompson), Risk Management Officer (Thomas Osborne)
Disposal, acquisition and exploitation of Properties	No	To consider proposals to dispose of and/or acquire properties	Head of Property (Simon Hughes)
County Farms update	No	To comment on performance and note any changing circumstances, consider and take action as required.	Head of Property (Simon Hughes)

## **Appendix B**

<b>Property</b>	<b>Transaction</b>	<b>£ benefit</b>	<b>Date of Decision</b>
Hempton part of former gravel pit	Sale of site	£8,000	08/06/2016
North Pickenham former highway land	Sale of site	£4,000	11/09/2017
Ditchingham Dam land	Sale of site	£14,000	18/09/2017
Various Norfolk Fire & Rescue Stations	Licence for recycling bins	£0	27/11/2017

Note: A list of property acquisitions relating to the NDR scheme is held separately and can be made available for members, on request.

# Business and Property Committee

Item No.

<b>Report title:</b>	<b>Finance monitoring</b>
<b>Date of meeting:</b>	<b>3 July 2018</b>
<b>Responsible Chief Officer:</b>	<b>Tom McCabe – Executive Director, Community and Environmental Services</b> <b>Simon George – Executive Director, Finance and Commercial Services</b>
<b>Strategic impact</b> This report provides the Committee with information on the revenue budget position for services reporting to Business & Property Committee for 2018 -19. It also provides information on the use of reserves and details of the capital programme.	

## Executive summary

The services reporting to this Committee are delivered by Community & Environmental Services, and Finance & Commercial Services.

The 2018-19 net revenue budget for this Committee is £7.901m. Details of the 2018 – 19 revenue position are shown in Table 1 of this report.

The total capital programme relating to this Committee for the years 2017 – 18 to 2020 – 21 is £45.974m. Details are shown in Table 2 of this report.

The balance of reserves and provisions relating to this Committee as of 1 April 2018 is £2.991m. Details are shown in Table 3 of this report.

### Recommendations:

Members are recommended to note:

- a) **The 2018 – 19 revenue position for this Committee**
- b) **The 2018 – 19 to 2020 - 21 capital programme for this Committee**
- c) **The 2018 - 19 reserves position for this Committee**

## 1. Proposal

- 1.1. Members have a key role in overseeing the financial position for the services under the direction of this committee, including reviewing the revenue and capital position and reserves held by the service.

Although budgets are set and monitored on an annual basis it is important that the



ongoing position is understood and the previous year's position, current and future plans and performance are considered.

1.2. This report reflects the financial position relating to this Committee as at the end of May 2018.

## 2. Evidence

### Revenue budget 2018 - 19

2.1. The services reporting to this Committee are delivered by Community & Environmental Services, and Finance & Commercial Services.

2.2. This report reflects the forecast outturn position for the Services that are relevant to this Committee, which are:

- Economic Programmes
- Strategy & Commissioning, including Economic Development
- Employment and Skills
  
- Scottow Enterprise Park
- Hethel Engineering Centre – operated as Hethel Innovation Ltd
  
- Client Property Management

2.3. The 2017-18 net revenue budget for this committee is £8.311m, there are minimal identified variances at this stage of the year. The use of reserves to support this position is shown in Table 3.

**Table 1: Business & Property Committee: Net revenue budget and forecast outturn position 2018 – 19, actual outturn 2017 - 18**

	<b>Outturn 2017 - 18</b>	<b>Budget 2018 - 19</b>	<b>Year to date 2018 - 19</b>	<b>Outturn Forecast 2018 - 19</b>	<b>Variance 2018 -19</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>Client Property Management</b>					
Corporate Offices	5.216	4.528	0.468	4.528	0.000
Estates Management	0.874	0.532	0.010	0.532	0.000
Building Maintenance	1.857	1.733	(0.061)	1.844	0.111
County Farms	(0.666)	(0.555)	0.109	(0.666)	(0.111)
Corporate Property Team	0.838	0.854	0.223	0.580	0.000
	<b>8.119</b>	<b>7.092</b>	<b>0.749</b>	<b>7.092</b>	<b>0.000</b>
<b>Economic Development</b>					
Economic Programmes	(0.086)	(0.084)	0.234	(0.084)	0.000
Strategy & Commissioning, including	0.852	0.894	0.097	0.894	0.000

## Economic Development

Employment & Skills	0.363	0.373	(0.020)	0.373	0.000
Scottow Enterprise Park	(0.274)	(0.374)	0.088	(0.374)	0.000
	<b>0.855</b>	<b>0.809</b>	<b>0.399</b>	<b>0.809</b>	<b>0.000</b>
	<b>8.974</b>	<b>7.901</b>	<b>1.148</b>	<b>7.901</b>	<b>0.000</b>

## 2.4. Other legal entities –

2.4.1. Client Property Management – Repton Property Developments Ltd is subject to separate reports to this Committee. The next Board Meeting is scheduled for 05<sup>th</sup> July 2018.

2.4.2. Economic Development - the unaudited pre tax profit for Hethel Innovation Ltd (HIL) for 2017 – 18 is £0.335m.

## 2.5. Client Property Management (CPM)

The CPM budget is reduced by £1.027m in 2018 – 19, continuing to reflect planned savings to be met principally by reduced costs of property maintenance, including fewer properties to maintain via property disposals. CPM plan to smooth the impact of this significant reduction by the planned use of reserves as shown in Table 3 later in this report.

## Economic Development

2.6. The main element of spend within Economic Development is staff related expenditure, with all spend related to planned programme activity. A number of staff are engaged in the delivery of externally funded projects where the spend profile does not always match a financial year, where this is the case project funding will be carried forward in reserves as an unspent grant.

2.7. **Scottow Enterprise Park (SEP)** – the 2018 – 19 business plan is an operating surplus (excluding financing costs) of £0.374m, (2017 – 18 £0.274m). The business plan comprises revenues of £1.311m (2017 – 18 £1.253m), £0.854m is derived from buildings rental and service charges, £0.457m from the solar farm on site. Costs are £0.937m (2017 – 18 £0.979m), of which £0.185m relates to staff salaries and £0.752m relates to other labour and general premises costs. In addition Enterprise Zone funding of £0.125m per annum has been secured to support the financing of site development costs. SEP is not accounted for as a separate legal entity.

2.8. **Hethel Engineering Centre** - is accounted for via the separate legal entity of Hethel Innovation Ltd (HIL). Subject to audit the pre tax profit for 2017 – 18 is £0.335m, comprising revenues of £1.467m, £1.083m from tenancy and £0.384m from consultancy and funded programmes. Costs were £1.132m comprising salary and overhead costs of £0.905m, and financing costs of £0.227m. The 2018 – 19 business plan outlines revenues and pre tax profit consistent with 2017 – 18.

### 3. Capital Programme

3.1. The capital programme for the services reported to this Committee is currently profiled to be delivered as detailed below.

**Table 2: Business & Property Committee: Capital Programme**

	Actual spend 2017 - 18 £m	Budget 2018 - 19 £m	Spend to date 2018 - 19 £m	Budget 2019 - 20 £m	Budget 2020-21 £m
<b>Scottow Enterprise Park</b>	<b>6.062</b>	<b>6.021</b>	<b>0.721</b>	<b>0.000</b>	<b>0.000</b>
Infrastructure	5.342	4.372	0.504		
Buildings refurbishment	0.720	1.649	0.217		
<b>Client Property Management</b>	<b>1.348</b>	<b>18.191</b>	<b>0.797</b>	<b>8.091</b>	<b>0.000</b>
Space 2019	0.333	8.592	0.000		
Asbestos	0.538	0.978	0.109		
Other works	0.477	8.621	0.688	8.091	
<b>County Farms</b>	<b>4.317</b>	<b>1.344</b>	<b>0.260</b>	<b>0.600</b>	<b>0.000</b>
Purchase of Farms	3.161				
Other capital	1.156	1.344	0.260	0.600	
	<b>11.727</b>	<b>25.556</b>	<b>1.778</b>	<b>8.691</b>	<b>0.000</b>

3.2. **SEP** - the total available corporate and Enterprise Zone supported capital funding for the redevelopment (excluding site purchase costs) of SEP is £9.694m, plus an additional £0.096m from the Pooled Business Rate Fund, of which £6.062m is the amount spent on redevelopment and refurbishment to date. The current estimates are as follows –

- £4.976m for essential infrastructure work to the site, £3.900m for water supply facilities, the balance principally relates to asbestos removal, security fencing, fire alarms, heating systems and utility metering to facilitate recharges back to tenants.
- £4.814m is earmarked for specific buildings to be brought into a lettable condition, the principle expenditure, (£3.200m), relates to Hangars 1,2 and 3. It should be noted that expenditure is only made against a business case from specific enquiries leading to lettings income.

3.3. The Corporate Property capital funding is in support of further refurbishment to allow rationalisation and facilitate cost reductions within the corporate property portfolio, in

addition to routine general maintenance and minor works funded via capital. The principal identifiable expenditure relates to the Space 2019 programme.

- 3.4. The County Farms capital funding represents the agreed refurbishment programme, including land drainage schemes, which maintains the value of the Farms estate.

#### **4. Reserves 2018 - 19**

- 4.1. The Council holds both provisions and reserves.
- 4.2. Provisions are made for liabilities or losses that are likely or certain to be incurred, but where it is uncertain as to the amounts or the dates which they will arise. The Council complies with the definition of provisions contained within CIPFA's Accounting Code of Practice.
- 4.3. Reserves (or Earmarked Reserves) are held in one of three main categories:
- 4.4. Reserves for special purposes or to fund expenditure that has been delayed, and in many cases relate to external Grants and Contributions - reserves can be held for a specific purpose, for example where money is set aside to replace equipment or undertake repairs on a rolling cycle, which can help smooth the impact of funding.
- 4.5. Local Management of Schools (LMS) reserves that are held on behalf of schools – the LMS reserve is only for schools and reflects balances held by individual schools. The balances are not available to support other County Council expenditure.
- 4.6. General Balances – reserves that are not earmarked for a specific purpose. The General Balances reserve is held to enable the County Council to manage unplanned or unforeseen events. The Executive Director of Finance is required to form a judgement on the level of the reserve and to advise Policy and Resources Committee accordingly.
- 4.7. The reserves falling under this Committee would fall into the first category. Additionally, balances may relate specific grant income where we have received the income but are yet to incur the expenditure, or the grant was planned to be used over a period of time, not related to a specific financial year.
- 4.8. We will continue to review the reserve balances to ensure that their original objectives are still valid and would identify any reserves that could be considered available for re-allocation.
- 4.9. The committees' unspent reserves and provisions as at 1<sup>st</sup> April 2018 totalled £2.991m.
- 4.10. The table below shows the balances of reserves and provisions and the actual usage for 2018 - 19.

<b>Reserves &amp; Provisions 2018-19</b>	<b>Balance at 1 April 2018</b>	<b>Forecast Balance at 31 March 2019</b>	<b>Change during 2018 - 19</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Corporate Property Management	1.102	0.000	1.102
Economic Development (including Scottow Enterprise Park)	1.889	1.655	0.234
<b>Committee Total</b>	<b>2.991</b>	<b>1.655</b>	<b>1.326</b>

The Economic Development reserves relate to specific project and grant funding, drawn down and carried forward as applicable to each project. Only currently known specific drawdowns have been shown above, the final use of reserves in 2018 – 19 is anticipated to be much higher than currently shown.

## 5. Financial Implications

## 6. Issues, risks and innovation

## Officer Contact

**Graham Jermy**                      **Tel no.      01603 638981**

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# Business and Property Committee

Item No.

<b>Report title:</b>	<b>Performance management</b>
<b>Date of meeting:</b>	<b>3 July 2018</b>
<b>Responsible Chief Officer:</b>	<b>Simon George – Executive Director of Finance and Commercial Services, and Tom McCabe – Executive Director, Community and Environmental Services</b>
<b>Strategic impact</b> Robust performance management is key to ensuring that the organisation works both efficiently and effectively to develop and deliver services that represent good value for money and which meet identified need.	

## Executive summary

This management report to Committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016. Additionally, this is the first report to provide data against the new 2018/19 vital signs list derived from measures contained within the 'plans on a page' previously presented to and agreed by Committee.

There are currently three vital signs indicators under the remit of this committee.

Performance is reported on an exception basis using a report card format, meaning that only those vital signs that are performing poorly or where performance is deteriorating are presented to committee. To enable Members to have oversight of performance across all vital signs, all report cards (which is where more detailed information about performance is recorded) will be made available to view upon request.

Of the three vital signs indicators that fall within the remit of this committee, two indicators have met the exception criteria:

- Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets (Apr-Mar)
- Number of apprenticeship starts

### Recommendations:

**Review and comment on the performance data, information and analysis presented in the body of the report and determine whether any recommended actions identified are appropriate or whether another course of action is required - refer to the list of possible actions at Appendix 1.**

In support of this, Appendix 1 provides:

- A set of prompts for performance discussions.
- Suggested options for further actions where the committee requires additional information or work to be undertaken.

## **1. Introduction**

- 1.1. This management report to Committee is based upon the revised Performance Management System, which was implemented as of 1 April 2016. Additionally, this is the first report to provide data against the new 2018/19 vital signs list derived from measures contained within the 'plans on a page' previously presented to and agreed by Committee.
- 1.2. There are currently three vital signs indicators under the remit of this committee:
  - Monitoring the job creation outputs of the projects and programmes that Norfolk County Council manages or Leads (Oct-Sep) and (Apr-Mar)
  - Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets (Oct-Sep) and (Apr-Mar)
  - Number of apprenticeship starts
- 1.3. Work continues to see what other data may be available to report to committee on a more frequent basis and these will in turn be considered for inclusion as vital signs indicators.
- 1.4. Of the three vital signs indicators that fall within the remit of this committee, two indicators have met the exception criteria.

## **2. Performance dashboard**

- 2.1. The performance dashboard provides a quick overview of Red/Amber/Green rated performance across all three vital signs. This then complements the exception reporting process and enables committee members to check that key performance issues are not being missed.
- 2.2. The vital signs indicators are monitored during the year and are subject to review when processes are amended to improve performance, to ensure that the indicator correctly captures future performance. A list of all vital signs indicators currently under the remit of the Business and Property committee is available at Appendix 2.
- 2.3. Vital signs are reported to committee on an exceptions basis. The exception reporting criteria are as follows:
  - Performance is off-target (Red RAG rating or variance of 5% or more)
  - Performance has deteriorated for three consecutive months/quarters/years
  - Performance is adversely affecting the council's ability to achieve its budget
  - Performance is adversely affecting one of the council's corporate risks.

- 2.4. Where cells have been greyed out on the performance dashboard, this indicates that data is not available due either to the frequency of reporting or the vital sign being under development. In this case, under development can mean that the vital sign has yet to be fully defined or that baseline data is being gathered.

Key to services on the performance dashboard:

- PE – Planning and Economy

- 2.5. The performance dashboard for the Business and Property Committee is as follows:



NOTES:

In most cases the RAG colours are set as: Green being equal to or better than the target; Amber being within 5% (not percentage points) worse than the target; Red being more than 5% worse than target.

'White' spaces denote that data will become available; 'grey' spaces denote that no data is currently expected, typically because the indicator is being finalised.

The target value is that which relates to the latest measure period result in order to allow comparison against the RAG colours. A target may also exist for the current and/or future periods.

Monthly	Bigger or Smaller is better	May 17	Jun 17	Jul 17	Aug 17	Sep 17	Oct 17	Nov 17	Dec 17	Jan 18	Feb 18	Mar 18	Apr 18	May 18	Target
{PE} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Oct-Sep)	Bigger	144.0	168.0	168.0	168.0	168.0	0.0	0.0	1.0	1.0	1.0	4.0	4.0		
{PE} Monitoring the job creation outputs of the projects and programmes that NCC manages or leads (Apr-Mar)	Bigger	78.4	122.0	150.7	195.7	290.2	364.9	547.7	598.0	645.0	712.4	842.9			544
{PE} Delivery against NALEP and HEC business start-up targets (Oct-Sep)	Bigger	2	3	5	10	12	1	6	6	6	6	6	14	14	
{PE} Delivery against NALEP and HEC business start-up targets (Apr-Mar)	Bigger	20	25	41	50	60	83	95	106	119	128	138			163
Quarterly / Termly	Bigger or Smaller is better	Jun 15	Sep 15	Dec 15	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17	Mar 18	Jun 18	Target
{PE} Number of apprenticeship starts	Bigger		7,290				7,670	2,440	3,830	6,120	6,580	2,100	3,240		4,409

### **3. Report Cards**

- 3.1. A report card has been produced for each vital sign. It provides a succinct overview of performance and outlines what actions are being taken to maintain or improve performance. The report card follows a standard format that is common to all committees.
- 3.2. Each vital sign has a lead officer, who is directly accountable for performance, and a data owner, who is responsible for collating and analysing the data on a monthly basis. The names and positions of these people are specified on the report cards.
- 3.3. Vital signs are reported to committee on an exceptions basis. The report cards for those vital signs that do not meet the exception criteria on this occasion, and so are not formally reported, are also collected and are available to view if requested.
- 3.4. Provided in Appendix 1 is a set of prompts for performance discussions that Members may wish to refer to as they review the report cards. There is also a list of suggested options for further actions where the committee requires additional information or work to be undertaken.
- 3.5. The report cards for the indicators that meet the exception criteria are shown below, which include contextual information for the indicator, along with information about current and historical performance:
  - Delivery against New Anglia Local Enterprise Partnership (NALEP) and Hethel Engineering Centre (HEC) business start-up targets (Apr-Mar) (Performance is off-target (Red RAG rating or variance of 5% or more) for March 2018 Red 138 against a target of 163)
  - Number of apprenticeship starts (Performance is off-target (Red RAG rating or variance of 5% or more) for the quarter covering March 2018 Red 3,240 against a target of 4,409)

## Business Start-Up generated by NALEP and Hethel Innovation

### Why is this important?

Start-up statistics are often used as a measure of the success of a local economy. Starting up a business can be a practical solution to redundancy, but also an outlet for creativity and innovation

### Performance

2017 – 2018 NALEP Programmes	Previous Target	Prev. Actual	17/18 Annual Target*	Actual Mar 18
2017/18 Start Up - NWES	195	92	122.5	126
2017/18 Start Up - MENTA		36	40	12
Hethel Engineering Centre: Norfolk only 2017/18 INA programme	7	12	7	6
<b>Total annual figures target / actual</b>	<b>202</b>	<b>140</b>	<b>169.5</b>	<b>144</b>

### Note on Targets & Delivery

\* NALEP set LEP wide targets for the Start Up programme. As a proxy target for Norfolk we assume 50% of the overall delivery target. Our Norfolk target proxy for 17/18 is 162.5 of which 122.5 are to be provided by NWES and 40 by Menta.

NALEP now provide a Norfolk only activity data (from July 2017) for its Start Up programmes. Note the programme runs April to March

HEC's year runs October to September. Their target for the year to September 18 is 7.

NCC continue to promote the Growth Hub at all opportunities: Royal Norfolk Show; via Sector Groups; at business breakfasts.

### What is the background to current performance?

#### Context

- Norfolk's business start-up rate lags behind the region and England as a whole, in terms of the number of businesses started per head of population. Such figures suggest a lack of willingness to take risks and innovate.
- The county consistently has a lower business failure rate than regional and national averages, suggesting Norfolk businesses are more robust.
- The New Anglia Local Enterprise Partnership (NALEP) Strategic Economic Plan (SEP), seeks to create 15,000 start-ups by 2026, which equates to **7,950** for Norfolk over the plan period, or **568** p/a.

#### Recent History

- NALEP's Start Up programme run by Menta and NWES achieved 85% of its 17/18 target
- Hethel's work is Norfolk based. Between 2006 and 2015 they supported 128 businesses, (an average of 14 pa).
- Hethel's Innovation programme for NALEP has supported the start-up of 128 new businesses since its creation in 2006.

#### Current reporting

- The County Council cannot force business start-ups, but will measure NALEP or HEC activities which directly support start-up activity.
- NALEP schemes run April – March for reporting purposes, reporting monthly to the LEP board, which figures NCC uses for this report.
- NWES business starts reported (line 2.4 of NALEP monthly reporting sheet)
- Menta business starts reported (line 3.4 of NALEP monthly reporting sheet)
- Hethel's reporting year runs October to September – Sally Harradence currently provides the monthly updates

### What will success look like?

At March 18 the HEC programme (was on track for meeting its target). The NALEP programme didn't hit target (but came close with 85%).

### Action required

Ensure the NALEP Start Up support programmes are promoted effectively on the Council's website, [www.LocateNorfolk.com](http://www.LocateNorfolk.com) and through other means.

### Responsible Officers

Lead: Karen Gibson, EU Project Manager

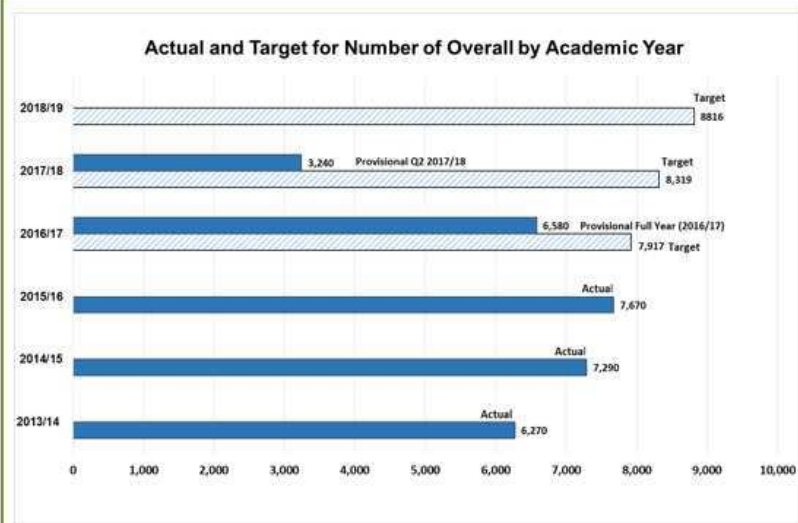
Data: Kate de Vries, Economic Development Officer 18/04/18

## Number of Apprenticeship starts

### Why is this important?

Better qualified staff are a key first rung on the ladder to our twin goals of higher value jobs and a reduction in the gap between Norfolk's and England's average earnings (weekly gross pay). In turn, better paid jobs enable more people to get onto the housing ladder and have a better quality of life more generally. The New Anglia Local Enterprise Partnership Strategic Economic Plan (SEP) highlights the need to increase the number, level, range and quality of Apprenticeship delivery and generate 5000 additional Apprenticeships across Norfolk and Suffolk by 2019.

### Performance



### What is the story behind current performance?

Apprenticeship Starts	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
	Actual	Actual	Actual	Actual	Actual	Target
All starts – all levels/ages	6,270	7,290	7,670	6,580	3,240	8,816

During the 2016/17 year, Norfolk had 6,580 new Apprenticeship starts. This is against a target of 7,917. The number of new starts on Apprenticeships nationally fell, but the drop in Norfolk was greater.

Norfolk data released in April 2018 show provisional starts for the second quarter of 2017 at 3,240. This covers the months of August 2017 to January 2018 which have fallen 15% compared to the same quarter the previous year. Nationally the drop was larger at 25%. This suggests that Norfolk is recovering quicker than England as a whole following Government policy changes.

### What will success look like

Success will be measured by the overall achievement of annual target whilst maintaining quality, level and range.

### Action required

The current tolerance for this measure is 10%. It is proposed the tolerance is raised to 25% rather than revising targets as they are set in line with the New Anglia LEP targets for Apprenticeships. NCC does not directly have any influence on starts and is led by changing national government policy therefore greater tolerance is needed in a significantly uncertain period. We recently had our Apprenticeships Norfolk AGM, which included a symposium, where we were able to hear the views of employers and providers which will all go towards developing an action plan for the next 6 months to a year.

### Responsible Officers

Lead: Jan Feeney

Data: Kieren Buxton

## **4. Recommendations**

- 4.1. Committee Members are asked to:  
Review and comment on the performance data, information and analysis presented in the body of the report and determine whether any recommended actions identified are appropriate or whether another course of action is required – refer to the list of possible actions at Appendix 1.

In support of this, Appendix 1 provides:

- A set of prompts for performance discussions.
- Suggested options for further actions where the committee requires additional information or work to be undertaken.

## **5. Financial implications**

- 5.1. There are no significant financial implications arising from the performance management report.

## **6. Issues, risks and innovation**

- 6.1. There are no significant issues, risks and innovations arising from the performance management report.

### **Officer Contact**

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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## Appendix 1 – Performance discussions and actions

Reflecting good performance management practice, there are some helpful prompts that can help scrutinise performance, and guide future actions. These are set out below.

### Suggested prompts for performance improvement discussion

In reviewing the vital signs that have met the exception reporting criteria and so included in this report, there are a number of performance improvement questions that can be worked through to aid the performance discussion, as below:

1. Why are we not meeting our target?
2. What is the impact of not meeting our target?
3. What performance is predicted?
4. How can performance be improved?
5. When will performance be back on track?
6. What can we learn for the future?

In doing so, committee members are asked to consider the actions that have been identified by the vital sign lead officer.

### Performance improvement – suggested actions

A standard list of suggested actions has been developed. This provides members with options for next steps where reported performance levels require follow-up and additional work.

	Action	Description
1	Approve actions	Approve actions identified in the report card and set a date for reporting back to the committee.
2	Identify alternative or additional actions	Identify alternative/additional actions to those in the report card and set a date for reporting back to the committee.
3	Refer to Departmental Management Team	DMT to work through the performance issues identified at the committee meeting and develop an action plan for improvement and report back to committee.
4	Refer to committee task and finish group	Member-led task and finish group to work through the performance issues identified at the committee meeting and develop an action plan for improvement and report back to committee.
5	Refer to County Leadership Team	Identify key actions for performance improvement and refer to CLT for action.
6	Refer to Policy and Resources Committee	Identify key actions for performance improvement that have 'whole Council' performance implications and refer them to the Policy and Resources committee for action.

## Appendix 2 – Business and Property Committee Vital Signs Indicators

A vital sign is a key indicator from one of the Council's services which provides members, officers and the public with a clear measure to assure that the service is performing as it should and contributing to the Council's priorities. It is, therefore, focused on the results experienced by the community. It is important to choose enough vital signs to enable a good picture of performance to be deduced, but not so many that strategic discussions are distracted by detail.

There are currently three vital signs performance indicators that relate to the Business and Property Committee. The indicator in bold (on the Table below) is a vital signs indicator deemed to have corporate significance and therefore will also be reported to the Policy and Resources Committee.

Key to services:

- CIL – Community, Information and Learning
- CH – Culture and Heritage
- FBP – Finance Business Partner
- HW – Highways
- NCLS – Norfolk Community Learning Service
- NFRS – Norfolk Fire and Rescue Service
- PE – Planning and Economy
- PH – Public Health

Service	Vital Signs Indicator	What it measures	Why it is important	Data
PE	Job creation in Norfolk	Monitoring the job creation outputs of the projects and programmes that NCC manages or leads.	SEP has a target to deliver 73,000 more jobs by 2026. This measure looks at those jobs the EDS service has had a hand in bringing forward.	Partly monthly
PE	New Anglia Growth Hub delivery – business start up	Delivery of New Anglia Growth Hub's business start-up targets.	All programmes should deliver outputs that benefit the Norfolk economy.	Partly monthly
<b>PE</b>	<b>Apprenticeships Norfolk Network Success Measures</b>	<b>Number of Apprenticeship Starts.</b>	<b>By the end of 2019 we will create an additional 2500 apprentices in Norfolk (baseline 6270 in 2013/14).</b>	<b>Quarterly (subject to data release)</b>



# Business and Property Committee

Item No.

<b>Report title:</b>	<b>Risk Management</b>
<b>Date of meeting:</b>	<b>3<sup>rd</sup> July 2018</b>
<b>Responsible Chief Officer:</b>	<b>Simon George, Executive Director of Finance and Commercial Services</b>
<b>Strategic impact</b> One of the Business and Property Committee's roles is to consider the management of risks relating to Norfolk County Council's commercial property. Assurance on the effectiveness of risk management helps the Committee undertake some of its key responsibilities. Risk management contributes to achieving departmental objectives, and is a key part of the performance management framework.	

## Executive summary

This report provides the Committee with the latest departmental level property risks as at July 2018, following the latest review conducted in June 2018. The reporting of risk is aligned with, and compliments, the performance and financial reporting to the Committee.

### Recommendations:

Members are asked to consider:

- a) the reconciliation report in **Appendix A**, which is designed to detail any significant changes to the Committee's corporate and department level risks;
- b) Risk RM14200 - Failure to meet NCC Carbon Reduction Target presented for information purposes to provide Members with sight of the changes to score and progress (**Appendix B**)
- c) the summary of current corporate and departmental level risks for this Committee in **Appendix C**;
- d) The list of possible actions, suggested prompts and challenges presented for information in **Appendix D**;
- e) The background information to put the risk scoring into context, shown in **Appendix E**.

## 1. Proposal

- 1.1. The Finance and Commercial Services and Environment, Development, and Transport Departmental Management Teams (DMTs) have been engaged in the preparation of the corporate and departmental level Business and Property Committee risks.

The summary of changes since the last Risk Management report was presented to this Committee in March 2018 to risks reported within this Committee's remit can be seen in **Appendix A**.

To assist Members in understanding the progress that has been made with meeting the 2020 Carbon Reduction Commitment target, the progress against mitigations for risk RM14200 can be viewed at **Appendix B**.

A summary of the current corporate and departmental level risks relating to this



Committee can be found at **Appendix C**. It is proposed that these current risks continue to be reported to Committee via appendices until mitigated to the point where they pose minimal risk to this Committee's objectives and can be closed.

A list of possible actions, suggested prompts, and challenges are presented for information in **Appendix D**, with a note of background information to put the risk scoring into context located at **Appendix E**.

The Risk Management Officer is in discussion with the Head of the Corporate Property Team to identify any risks to the two corporate priorities of "Towards a Housing Strategy" and "Commercialisation", both of which are relevant to this Committee. The significant risks identified to achieving these priorities will be presented to this Committee in due course.

## **2. Evidence**

- 2.1. The Business and Property risk data detailed in this report reflects those key business and property risks that are managed by the Departmental Management Teams of the Finance and Commercial Services, and Environment, Development, and Transport departments, and Senior Management Team of the Corporate Property Team. Key business risks materialising could potentially result in the two departments failing to achieve one or more of their key objectives and/or suffer a financial loss or reputational damage.
- 2.2. There are two significant changes to risks reported at the March 2018 Committee, relating to the corporate infrastructure risk, and carbon reduction risk. These are reported in Appendix A.
- 2.3. Progress has been made with reducing the risk of RM14200 - Failure to meet NCC carbon reduction target materialising, and is summarised in the risk progress section of Appendix B, and expanded upon in the Carbon Reduction report.
- 2.4. The Finance and Commercial Services departmental risk register contains one departmental level risk (RM14200 - Failure to meet Norfolk County Council carbon reduction target) and one corporate level risk (RM14282 – Failure of Estate Management) relevant to this Committee, with the EDT risk register containing the other corporate risk (RM14250 - Infrastructure is not delivered at the required rate to support existing needs and the planned growth of Norfolk). Appendix C provides the Committee members with a summary of these risks. Of these three risks, there are currently two at corporate level for this Committee to consider.
- 2.5. Of the three corporate and departmental risks currently reported to this Committee, two currently have an overall amber prospects score of meeting the target score by the target date, with the carbon reduction risk moving from an amber prospects score to green, as per Appendix C.

## **3. Financial Implications**

3.1. There are no significant financial implications arising from this Committee report.

#### **4. Issues, risks and innovation**

4.1. There are no other significant issues, risks and innovations arising from this Risk Management report.

#### **5. Background**

5.1. Background information regarding risk scoring, and definitions can be found in **Appendix E**.

### **Officer Contact**

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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**Officer name :** Thomas Osborne **Tel No. :** 01603 222780

**Email address :** [thomas.osborne@norfolk.gov.uk](mailto:thomas.osborne@norfolk.gov.uk)



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## Risk Reconciliation Report

Significant changes\* to the Business and Property Committee risks since the last Business and Property Committee Risk Management report was presented in March 2018.

Since the last Business and Property Committee Risk Management report was presented in March 2018, there has been a change to one of the risks previously reported. This is as follows;

### Score changes

#### **RM14200 - Failure to meet NCC carbon reduction target**

Norfolk County Council is now only 6% away from reaching its target of a 50% reduction in carbon usage for measurable service sectors. The likelihood of us not reaching this target by 2020 has been reduced accordingly from a score of 3 (possible) to 2 (unlikely). This has lowered the current score from 12 to 8.

The risk mitigations have also been updated to further reflect the work that has been carried out to lower this risk.

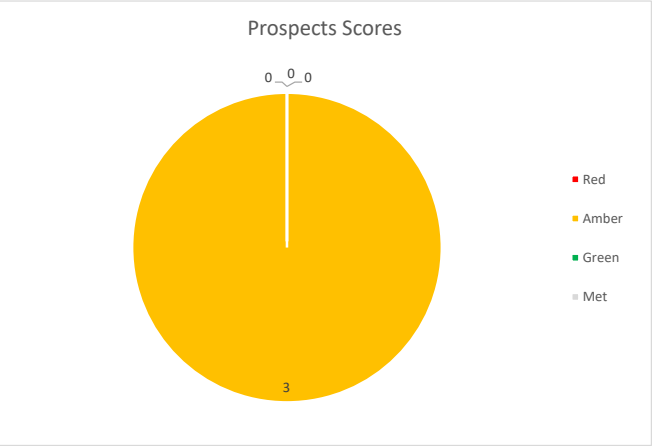
\* A significant change can be defined as any of the following;

- A new risk
- A closed risk
- A change to the risk score
- A change to the risk title, description or mitigations (where significantly altered).

Risk Number		RM14200		Date of update		14 June 2018				
Risk Name		Failure to meet NCC carbon reduction target								
Risk Owner		Jeannine de Sousa		Date entered on risk register		01 April 2016				
Risk Description										
There is a risk of a failure to address energy efficiency as part of operational practice, leading to increased energy and tax costs, against a background of a flexible buildings portfolio. The risks reside around the principal impacts associated with the use of buildings, transport and street lighting in support of service delivery. Reporting responsibility resides with the Corporate Property Team who oversee the delivery of statutory reporting; impact is organisation-wide.										
Original			Current			Tolerance Target				
Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Likelihood	Impact	Risk score	Target Date	Prospects of meeting Target Risk Score by Target Date
3	4	12	2	4	8	2	3	6	Mar-20	Green
Tasks to mitigate the risk										
To reach a 50% reduction by 2020. To achieve this, we should have;										
Project management delivered through interface with existing programmes, such as through the work of the Corporate Property Team. The Corporate Property Team have responsibility for the delivery of the carbon reduction programme.										
Improvements made to the heating, lighting and insulation levels at County Hall.										
Increasing usage of electricity generation fuels, and use less coal in the electricity generation process.										
A switch to the use of LED bulbs in street lights, and trimming the number of hours on, where practical.										
Progress update										
The baseline is 2009-10 data for buildings and street lighting and is on electricity, gas, oil and propane data. Each fuel usage is converted into CO2e (Carbon Dioxide equivalent which includes other greenhouse gases, such as methane) using official yearly DEFRA conversion factors. Based upon the latest 2016-17 figures there has been a 44% reduction overall, which includes an 86% reduction of oil usage and 59% reduction of natural gas usage. This is due to a number of factors, such as:-										
<ul style="list-style-type: none"><li>• Energy reduction due to properties benefiting from CERF (Carbon and Energy Reduction Fund) investment;</li><li>• Reduction in the overall property portfolio;</li><li>• Improvements to the heating, lighting and insulation levels at County Hall;</li><li>• Improvements to the electricity CO2 conversion factor due to the mix of electricity generation fuels (ie. more renewables, less coal was used to generate electricity in 2016-17 than in 2009-10);</li><li>• Street light energy reductions due to lantern upgrades to LED and initiatives including dimming and part night lighting. The overall electricity usage for street lighting has reduced by 10% since 2009-10, despite an overall increase in the number of street lights from new road adoptions.</li></ul>										

Appendix C, Business and Property Committee Risk Summary, July 2018

Summary Name			Business and Property Committee Risk Summary													Red	⬇️ Worsening	
Prepared by			Thomas Osborne													Amber	↔️ Static	
Date updated			June 2018													Green	⬆️ Improving	
Next update due			August 2018													Met		
Area	Corp. / Dept.	Risk Number	Risk Name	Risk Description			Current Likelihood	Current Impact	Current Risk Score	Target Likelihood	Target Impact	Target Risk Score	Prospects of meeting Target Risk Score by Target Date	Direction of travel from previous review	Risk Owner			
Environment, Development and Transport - Strategic Infrastructure	C	RM14250	Infrastructure is not delivered at the required rate to support existing needs and the planned growth of Norfolk	1) Not securing sufficient funding to deliver all the required infrastructure for existing needs and planned growth leading to:  • congestion, delay and unreliable journey times on the transport network • a lack of the essential facilities that create sustainable communities e.g. good public transport, walking and cycling routes, open space and green infrastructure.  2) Not meeting the funding profiles (e.g. Local Growth Fund) and losing the funding.			3	3	9	3	2	6	Amber	↔️	Tom McCabe			
Finance and Commercial Services - Corporate Property	C	RM14282	Failure of Estate Management	There is a risk that the Council does not have a clear policy around estate management, is not acting in line with the expectations of a landlord, and does not have sound tenancy agreements in place.			3	2	6	2	2	4	Amber	↔️	Simon George			
Finance and Commercial Services - Corporate Property	D	RM14200	Failure to meet Norfolk County Council carbon reduction target	There is a risk of a failure to address energy efficiency as part of operational practice, leading to increased energy and tax costs, against a background of a flexible buildings portfolio. The risks reside around the principal impacts associated with the use of buildings, transport and street lighting in support of service delivery. Reporting responsibility resides with the Corporate Property Team who oversee the delivery of statutory reporting; impact is organisation-wide.			2	4	8	2	3	6	Green	⬆️	Jeannine de Sousa			



## Risk management discussions and actions

Reflecting good risk management practice, there are some helpful prompts that can help scrutinise risk, and guide future actions. These are set out below.

### Suggested prompts for risk management improvement discussion

In reviewing the risks that have met the exception reporting criteria and so included in this report, there are a number of risk management improvement questions that can be worked through to aid the discussion, as below:

1. Why are we not meeting our target risk score?
2. What is the impact of not meeting our target risk score?
3. What progress with risk mitigation is predicted?
4. How can progress with risk mitigation be improved?
5. When will progress be back on track?
6. What can we learn for the future?

In doing so, committee members are asked to consider the actions that have been identified by the risk owner and reviewer.

### Risk Management improvement – suggested actions

A standard list of suggested actions have been developed. This provides members with options for next steps where reported risk management scores or progress require follow-up and additional work.

All actions, whether from this list or not, will be followed up and reported back to the committee.

#### Suggested follow-up actions

	Action	Description
1	Approve actions	Approve recommended actions identified in the exception reporting and set a date for reporting back to the committee
2	Identify alternative/additional actions	Identify alternative/additional actions to those recommended in the exception reporting and set a date for reporting back to the committee
3	Refer to Departmental Management Team	DMT to work through the risk management issues identified at the committee meeting and develop an action plan for improvement and report back to committee
4	Refer to committee task and finish group	Member-led task and finish group to work through the risk management issues identified at the committee meeting and develop an action plan for improvement and report back to committee
5	Refer to County Leadership Team	Identify key actions for risk management improvement and refer to CLT for action
6	Refer to Policy and Resources Committee	Identify key actions for risk management improvement that have whole Council 'Corporate risk' implications and refer them to the Policy and Resources committee for action.



## Background Information

A **departmental risk** is one that requires:

- strong management at a departmental level thus the Departmental Management Team should direct any action to be taken.
- appropriate management. If not managed appropriately, it could potentially result in the County Council failing to achieve one or more of its key departmental objectives and/or suffer a significant financial loss or reputational damage.

Each risk score is expressed as a multiple of the impact and the likelihood of the event occurring.

- Original risk score – the level of risk exposure before any action is taken to reduce the risk
- Current risk score – the level of risk exposure at the time the risk is reviewed by the risk owner, taking into consideration the progress of the mitigation tasks
- Target risk score – the level of risk exposure that we are prepared to tolerate following completion of all the mitigation tasks.

The prospects of meeting target scores by the target dates reflect how well the risk owners consider that the mitigation tasks are controlling the risk. It is an early indication that additional resources and tasks or escalation may be required to ensure that the risk can meet the target score by the target date. The position is visually displayed for ease in the “Prospects of meeting the target score by the target date” column as follows:

- Green – the mitigation tasks are on schedule and the risk owner considers that the target score is achievable by the target date.
- Amber – one or more of the mitigation tasks are falling behind and there are some concerns that the target score may not be achievable by the target date unless the shortcomings are addressed.
- Red – significant mitigation tasks are falling behind and there are serious concerns that the target score will not be achieved by the target date and the shortcomings must be addressed and/or new tasks introduced.



# Business and Property Committee

Item No.....

<b>Report title:</b>	<b>Disposal, Acquisition and Exploitation of Properties</b>
<b>Date of meeting:</b>	<b>3 July 2018</b>
<b>Responsible Chief Officer:</b>	<b>Executive Director of Finance and Commercial Services</b>
<p><b>Strategic impact</b></p> <p>Proposals in this report are aimed at supporting Norfolk County Council (NCC) priorities by exploiting properties surplus to operational requirements, pro-actively releasing property assets with latent value where the operational needs can be met from elsewhere and strategically acquiring property to drive economic growth and wellbeing in the County.</p> <p>One of the key strategic actions within the Asset Management Plan is a sharp focus on maximising income through adoption of a more commercial approach to property.</p>	

## Executive summary

As part of corporate management of property and a systematic approach to reviewing the use and future needs of property assets for service delivery there is a continued emphasis on minimising the extent of the property estate retained for operational purpose. However, on occasion there will be the requirement to acquire or reuse an individual property to support a service to delivers its aims.

By adopting a “single estate” approach internally, and sharing property assets with public sector partners through the One Public Estate programme, the Council is aiming to reduce net annual property expenditure by £4.25million over the next four years (2018/19 to 2021/22).

Consideration is also given to suitability of surplus property assets for use or redevelopment to meet specific service needs that could improve quality of services for users, address other policy areas and/or improve financial efficiency for the County Council, for example, facilitating the supply of assisted living accommodation and other housing solutions for people requiring care, or undertaking re-development to support jobs and growth.

This means that as well as continuing with the rationalisation of the operational property estate to reduce the number of buildings used by the County Council, a more commercial approach is being adopted over the sale or redeployment of surplus property assets.

### Recommendations:

**Business and Property (B&P) Committee are asked to:**

- (i) **Formally declare the land north of Norwich Road Acle surplus to County Council requirements and instruct the Head of Property to dispose of the**

land to Repton Property Developments Ltd, and, authorise the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee to agree the value of the land at which it is to be sold and report the sale at a subsequent B&P Committee meeting.

- (ii) Formally declare the former Chapel Road School site, Attleborough surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.
- (iii) Formally declare the Land South of New Road, Attleborough surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.
- (iv) Formally declare the Old Westgate Farm Barn beet pad, Binham surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:  
The adjoining owner on the best terms possible.  
Or  
In the event of non-agreement with the adjoining owner dispose on the open market.  
In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.
- (v) Formally declare the Market Garden Land, Hopton on Sea surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.
- (vi) Agree to the leasing of the land to the Rear of 101 – 106 Norfolk Street, King's Lynn to the Borough Council of King's Lynn and West Norfolk for £3,500 per annum for 10 years.
- (vii) B&P Committee is asked to formally declare the land at Wootton Drift, King's Lynn surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the

**Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.**

- (viii) Formally declare the land at Whittington Hill, Northwold surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:**

**The adjoining owner on the best terms possible.**

**Or**

**In the event of non-agreement with the adjoining owner dispose on the open market.**

**In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.**

- (ix) Agree to the leasing of Vauxhall Centre carpark, Norwich to RCP Parking (Vauxhall) Ltd for £65,000 per annum (first 6 months rent free) for 10 years on terms laid out in the tender documents.**

- (x) Formally declare the land at Parkside Drive, Old Catton surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:**

**The adjoining owner on the best terms possible.**

**Or**

**In the event of non-agreement with the adjoining owner dispose on the open market.**

**In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.**

- (xi) Formally declare the Land at School Road (Burlingham Estate), South Walsham surplus to County Council requirements and instruct the Head of Property to dispose of the property considering in addition to price the economic growth and community benefits. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.**

- (xii) Formally declare the land off Wards Chase, Stow Bardolph surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.**

- (xiii) Agree to the leasing of Trimingham camp site to Swallowtails Leisure Ltd**

<b>for £10,000 per annum plus 5% of turnover (less the base rent), first 6 months rent free, for 15 years on terms laid out in the tender documents.</b>
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## **1.0 Introduction**

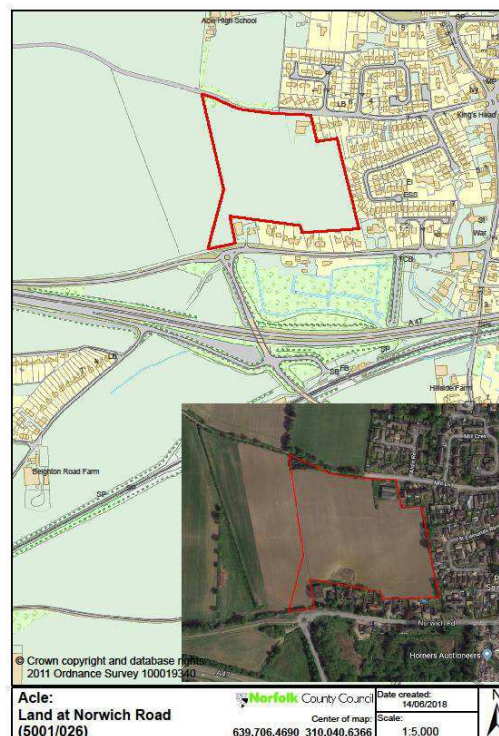
- 1.1 The Council actively manages its property portfolio in accordance with the adopted Asset Management Plan. Property is held principally to support direct service delivery, support policy objectives, held for administrative purposes or to generate income. Property is acquired or disposed of as a reaction to changing service requirements, changing council policies or to improve the efficiency of the overall portfolio.
- 1.2 The County Council challenges the use of its property on an ongoing basis. In the event of a property asset becoming surplus to an individual service need there are internal officer processes to ascertain whether other service areas have an unmet need that could be addressed by re-using the property asset for that service. This may lead to a change of use of individual properties, for example, an office building may be reused for operational service delivery. Any proposals for retention are only agreed if supported by a robust business case showing the benefits to the County Council and are funded from approved budgets. This assessment will also consider whether a property could be offered at best consideration to public sector or third sector partners.
- 1.3 The above assessments are carried out by the Corporate Property Officer (the Head of Property) in consultation with the Corporate Property Strategy Group (CPSG). Once it is confirmed there is no further County Council requirement the Business and Property Committee is asked to formally declare property assets surplus or re-designate for alternative purposes.
- 1.4 The Corporate Property Officer reviews options for maximising income from surplus properties usually by open market sale to obtain the best consideration possible. These will range from selling immediately on the open market (to the bidder making the best offer overall), enhancing the value prior to sale, strategic retention for a longer-term benefit through to direct development of the land and buildings and selling/letting the completed assets, in the expectation of enhanced income for the Council.
- 1.5 For properties to be sold immediately there is sometimes a need to consider selling directly to a specific purchaser instead of going to the open market. This may be justified where the third party is in a special purchaser situation and is willing to offer more than the assessed market value. Conversely this might be to a purchaser who is in a unique position of control for the unlocking of the full latent value of the Council owned site (ransom situation). A direct sale without going to market can also be justified if there are specific service benefits or a special partnership relationship which is of strategic value with service/community benefits.
- 1.6 In making recommendations for direct sale without going to market, or direct property development, the Corporate Property Officer will consider risks,

opportunities, service objectives, financial requirements and community benefits.

## 2.0 Proposals

### Acle – Land North of Norwich Road (5001/026)

- 2.1 The Council's consultant, NPS, successfully obtained on 25 May 2018 a renewed outline planning permission for up to 140 dwellings on the land north of Norwich Road, Acle (site outlined in red).
- 2.2 Previously, Policy and Resources Committee, at their meeting on 1 June 2015, resolved "That the Assistant Director, Property be authorised to develop proposals for the direct development of the surplus land (working with appropriate partners) to maximise the financial return to the Council, bringing back recommendations to the Committee for approval."
- 2.3 This land forms part of the farms estate and is currently cropped. The Corporate Property Team is seeking a formal independent "red book" valuation of the site with the aim of selling the site to Repton Property Developments Ltd.
- 2.4 B&P committee is asked to formally declare the land north of Norwich Road, Acle surplus to County Council requirements and instruct the Head of Property to dispose of the land to Repton Property Developments Ltd, and, authorise the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee to agree the value of the land at which it is to be sold and report the sale at a subsequent B&P Committee meeting.



### Attleborough – former Chapel Road School (3002/016)

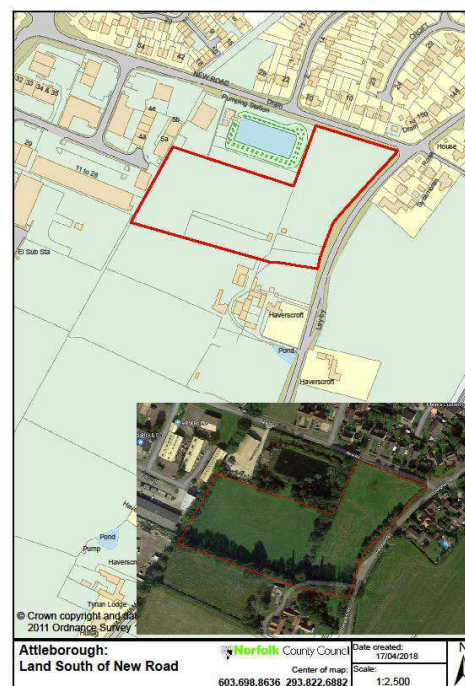
- 2.5 The former school site is owned by NCC with the adjacent playing field leased from Breckland District Council. The school site is approximately 0.45 hectares (1.12 acres) in area.
- 2.6 The school has relocated to new premises at Old Buckenham to become Chapel Green School. Childrens Services declared the site surplus to their needs on 17 November 2017, the declaration will come into effect once some final moves are complete.

- 2.7 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use. The lease on the playing field is in the process of being terminated.
- 2.8 B&P Committee is asked to formally declare the former Chapel Road School site, Attleborough surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.



### Attleborough – Land South of New Road

- 2.9 This land, edged red, is owned by NCC and forms part of the County Farms estate. It is currently occupied on a 1-year Farm Business Tenancy ending on 9<sup>th</sup> October 2018. The land area is approximately 2.05 hectares (5.06 acres).
- 2.10 The land lies to the south of New Road, Attleborough and west of Hargham Road and forms a distinctive detached parcel of land. The land has been promoted with the Local Planning Authority for residential development and outline consent is expected for a total number of 48 dwellings later in 2018.
- 2.11 The County Farms team have reviewed this site and have confirmed that it is no longer required for operational purposes.
- 2.12 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.
- 2.13 B&P Committee is asked to formally declare the Land South of New Road, Attleborough surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and





Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.

### **Binham – Old Westgate Farm Barn beet pad**

2.14 This land forming a redundant pad was previously used for the temporary storage of beet is owned by NCC and forms part of the County Farms estate. It is approximately 363m<sup>2</sup> in area.

2.15 The tenancy has been surrendered.

2.16 The adjoining barn has recently been sold and the purchaser is interested in acquiring this additional land.

2.17 The County Farms team have reviewed this site and have confirmed that it is no longer required for operational purposes.

2.18 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.



2.19 B&P Committee is asked to formally declare the Old Westgate Farm Barn beet pad, Binham surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:

- The adjoining owner on the best terms possible.
- Or
- In the event of non-agreement with the adjoining owner dispose on the open market.

In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.

### **Hopton-on-sea – Market Garden Land**

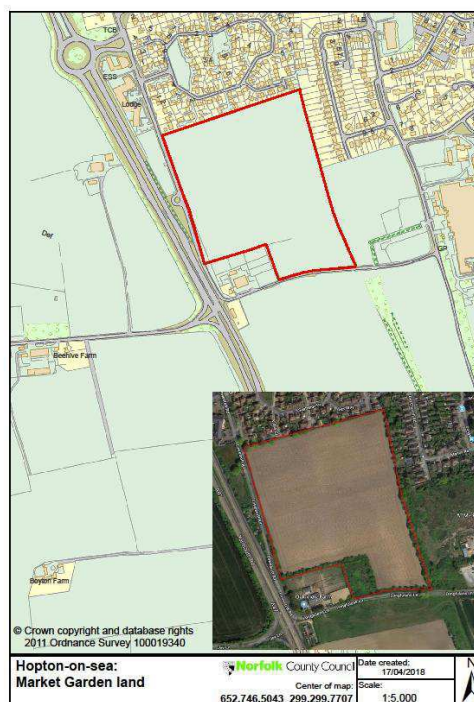
2.20 This land, edged red, is owned by NCC and forms part of the County Farms estate. The land area is approximately 9.3 hectares (22.9 acres).

2.21 Much of the adjoining land has been sold and redeveloped for residential use.

2.22 The County Farms team have reviewed this site and have confirmed that it is no longer required for operational purposes.

2.23 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

- 2.24 The Head of Property will review the options for maximising the value of this land.
- 2.25 B&P Committee is asked to formally declare the Market Garden Land, Hopton on Sea surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.



### King's Lynn - Land to the Rear of 101 – 106 Norfolk Street (2045/059)

- 2.26 This site is owned by Norfolk County Council and is let to the Borough Council of King's Lynn and West Norfolk (KLWN) for use as a car park. This lease was for a term of 10 years with a rent of £700 per annum (pa) and expired on 2 February 2016. KLWN have been "holding over" whilst a new lease was negotiated.
- 2.27 The site is "landlocked" and limits the use to which the County Council could use the site for.
- 2.28 Terms have been agreed for a new 10-year lease, with a rent of £3,500pa, with a rent review in 2023 and the tenant being responsible for upkeep, maintenance and insurance.
- 2.29 B&P Committee is asked to agree to the leasing of the land to the Rear of 101 – 106 Norfolk Street, King's Lynn to the Borough Council of King's Lynn and West Norfolk for £3,500 per annum for 10 years.



### King's Lynn – Land at Wootton Drift

- 2.30 This property was acquired by NCC for a highway schemes but not directly utilised. It is approximately 0.4 hectares (1.0 acres) in area.



2.31 The property was declared surplus by Community and Environmental Services on 4 December 2017. Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

2.32 B&P Committee is asked to formally declare the land at Wootton Drift, King's Lynn surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.



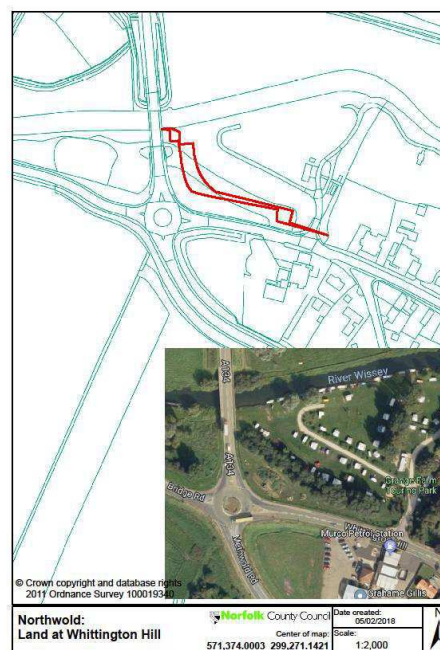
### Northwold – Land Whittington Hill

2.33 This property, edged red, was acquired by NCC as part of a Highway scheme in 1986. The property is approximately 0.12 hectares (0.28 acres) in area.

2.34 The land adjoining on the west and south sides forms part of the adopted public highway.

2.35 The land was acquired under threat of Compulsory Purchase and may be subject to the Crichel - Downs Rules where by the land is offered back to the former owner or the former owner's successors at the current market value.

2.36 The adjoining landowner has expressed an interest in acquiring the land. The Head of property proposes to obtain a valuation and enter negotiations with the adjoining owner. In the event of non-agreement, the land will be disposed of by open market sale.



2.37 The property was declared surplus by Community and Environmental Services on 5 April 2018. Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

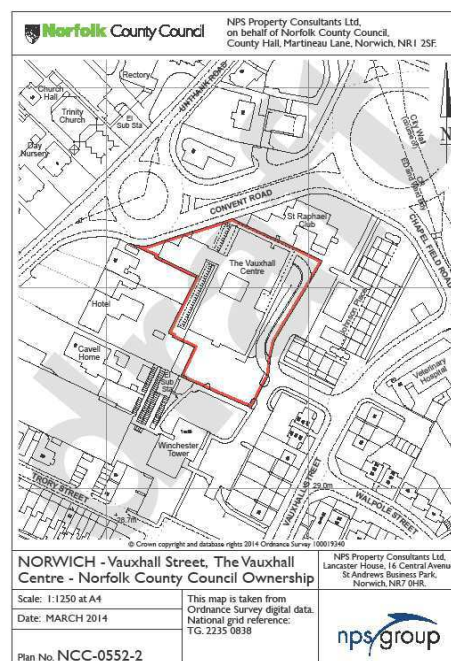
2.38 B&P Committee is asked to formally declare the land at Whittington Hill, Northwold surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:

- The adjoining owner on the best terms possible.  
Or
- In the event of non-agreement with the adjoining owner dispose on the open market.

In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.

### **Norwich – Vauxhall Centre carpark (4113/019)**

- 2.39 This property is owned by Norfolk County Council having been acquired as a result of the reorganisation of local government in the early 1970's.
- 2.40 The premises comprise a single storey underground car park with ramp access from Vauxhall Street which is marked out for 77 car spaces. The building above is the Vauxhall Community Building used and occupied by a number of County Council and voluntary sector partners delivering local services.
- 2.41 The car park has been fully refurbished with new lighting, sprinkler system and CCTV with the objective of letting out to secure a rental income.
- 2.42 Competitive tenders were invited from car park operators to take a 10-year lease. There were 9 expressions of interest resulting in 3 tenders being submitted.
- 2.43 The tenders have been reviewed and the best offer was received from RCP Parking (Vauxhall) Ltd, 15 The Close, Norwich, NR1 4DZ. The terms are, rent £65,000 per annum, first 6 months rent free, a rent review after 5 years, the tenant being responsible for business rates, internal repairs and a proportion of the building insurance.
- 2.44 B&P Committee is asked to agree to the leasing of Vauxhall Centre carpark, Norwich to RCP Parking (Vauxhall) Ltd for £65,000 per annum (first 6 months rent free) for 10 years on terms laid out in the tender documents.



### **Old Catton – Land at Parkside Drive (5017/020)**

- 2.45 This small area of land was purchased by NCC as part of the Old Catton estate in 1948. It is approximately 69m<sup>2</sup> in area.

2.46 The adjoining part of the estate was sold for housing although the road was retained and forms part of the adopted public highway.

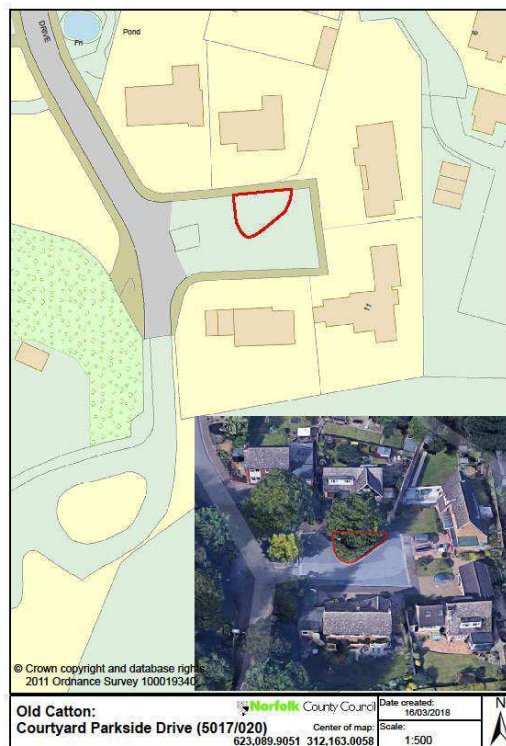
2.47 This parcel of land currently costs £400/year to maintain due to the nature of the planting (Rhododendrons and a Ghenko tree) and being in a Conservation Area.

2.48 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

2.49 B&P Committee is asked to formally declare the land at Parkside Drive, Old Catton surplus to County Council requirements and instruct the Head of Property to dispose of the property to either:

- The adjoining owner on the best terms possible.  
Or
- In the event of non-agreement with the adjoining owner dispose on the open market.

In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.



### **South Walsham – Land at School Road (Burlingham Estate)**

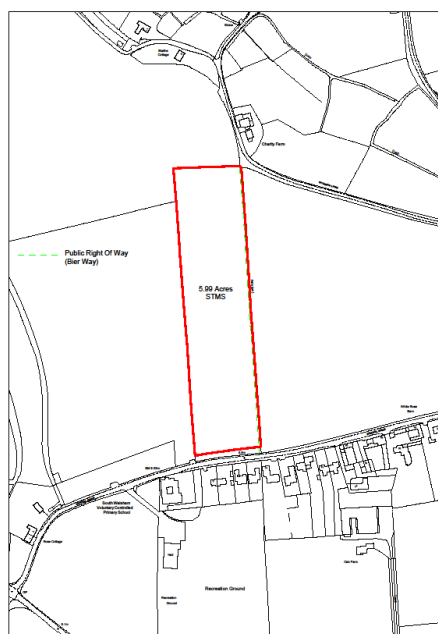
2.50 This land is owned by NCC and forms part of the County Farms estate. The land area is approximately 2.5 hectares (6.17 acres).

2.51 The land is tenanted until October 2018.

2.52 The County Farms team have reviewed this land and have confirmed that it is no longer required for operational purposes.

2.53 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

2.54 It is understood there is local interest in acquiring this land and the Head of Property has advised it is openly marketed





should this committee declare the land surplus to NCC use. For this disposal the Council will consider wider benefits, such as economic growth and community benefits etc as well as the price per acre tendered for this land.

- 2.55 B&P Committee is asked to formally declare the Land at School Road (Burlingham Estate), South Walsham surplus to County Council requirements and instruct the Head of Property to dispose of the property considering in addition to price the economic growth and community benefits. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.

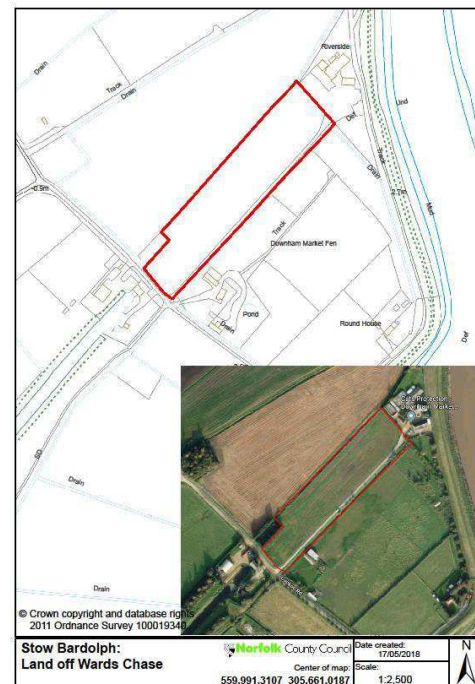
### **Stow Bardolph – Land off Wards Chase**

- 2.56 This land, edged red, is owned by NCC and forms part of the County Farms estate (Stow & Marshland Estate). The land area is approximately 1.33 hectares (3.29 acres).

- 2.57 The County Farms team have reviewed this site and have confirmed that it is no longer required for operational purposes and the current tenant has agreed to surrender it.

- 2.58 Following a review by the Head of Property in consultation with CPSG it has been confirmed that the site is not required for NCC service use.

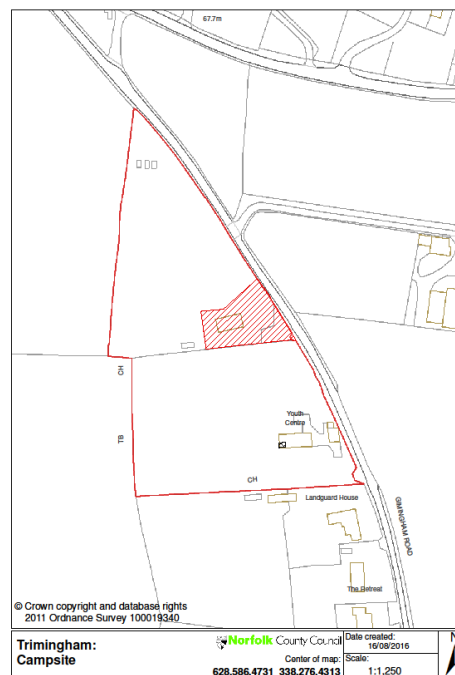
- 2.59 B&P Committee is asked to formally declare the land off Wards Chase, Stow Bardolph surplus to County Council requirements and instruct the Head of Property to dispose of the property. In the event of a disposal receipt exceeding delegated limits the Head of Property in consultation with the Executive Director of Finance & Commercial Services and Chair of B&P Committee is authorised to accept the most advantageous offer and report the fact at a subsequent B&P Committee meeting.



### **Trimingham - Campsite (1108/011)**

- 2.60 This site is owned by Norfolk county Council and is approximately 1.4 hectares (3.5 acres) in area, edged red on plan, excluding the red hatched area which is already let for 25 years.

- 2.61 The site was previously used by Children's Services. A review by the Head of Property in consultation with CPSG in December 2015 determined that the site was not required for NCC service use. Subsequently Policy and Resources Committee at their 31 May 2016 meeting declared the site surplus to County Council use.
- 2.62 In the intervening period the Head of Property has considered how the site could be exploited and subsequently sought tenders to lease out the site.
- 2.63 Four tenders were submitted. The tenders have been reviewed and the best offer was received from Swallowtails Leisure Ltd to use the site for 20 "glamping" pitches. The terms are, £10,000pa plus 5% of turnover (less the base rent), first 6 months rent free, an annual rent review, a break operable every 5 years, and the tenant is responsible for full repairs and insurance. Furthermore, the tenant will refurbish existing buildings (subject to survey), create a car park for 20 cars, install a children's play area and outdoor picnic area.
- 2.64 B&P Committee is asked to agree to the leasing of Trimingham camp site to Swallowtails Leisure Ltd for £10,000 per annum plus 5% of turnover (less the base rent), first 6 months rent free, for 15 years on terms laid out in the tender documents.



### 3.0 Financial Implications

- 3.1 Decisions in this report will ultimately result in sale proceeds which will support funding of the Capital Programme or the repayment of debt. Other financial implications include:
- Reduction in property expenditure and financial efficiency through reduction in the number of sites and buildings retained.
  - Generating revenue income/capital receipts from the exploitation of surplus property assets.
  - Disposal and development costs to fund planning and assessment work. The cost of these will be funded from future receipts.

### 4.0 Issues, risks and innovation

- 4.1 For disposals and acquisitions in the usual way the legal implications are around the parties agreeing to the terms of the agreement for each acquisition and disposal and entering a contract.

## **5.0 Background**

5.1 There are several strands forming the strategic background to these proposals, namely:

- The overall Council's priorities under the Norfolk Futures Strategy of:
  - Safer Children and Resilient Families.
  - Promoting Independence for Vulnerable Adults.
  - Smarter Information and Advice.
  - Towards a Housing Strategy.
  - Digital Norfolk.
  - Local Service Strategy.
  - Commercialisation.
- Norfolk County Council Asset Management Plan 2016-19.
- The adoption of an updated property savings plan, that calls for savings of £4.25m over the next four years.
- The Norfolk One Public Estate Programme that is supporting the joint strategic exploitation of the combined public-sector property estate.
- The medium term financial strategy includes commercialisation of NCC property assets as a priority to help diversify the Council's funding.

5.2 Strategic asset management is focussed on:

- Releasing properties that are costly, not delivering services efficiently or in the wrong location.
- Exploiting the latent value of the property estate with an emphasis on using the retained estate more intensively or identifying opportunities to generate revenue income or increasing the capital value.
- Reducing future maintenance liabilities and reducing the overall carbon footprint.
- Directing spend on "core" property assets that are to be retained over the long term.

5.3 There are several key targets in the prioritised work plan in the Asset Management Plan that support these proposals:

- Ongoing implementation of the property savings plan.
- Continued focus on property rationalisation.
- Property commercialisation.
- Reduce cost of retained property.
- Ongoing implementation of a 3-year disposals programme, allied with seeking opportunities for development.
- Surplus Highways land – implement disposals of packages of land parcels no longer required for road schemes.
- Deliver strategy to promote surplus/fringe sites for housing.

### **Officer Contact**

If you have any questions about matters contained in this paper please get in touch with:

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Simon Hughes

**Tel No:**  
01603 222043

**Email address:**  
[simon.hughes@norfolk.gov.uk](mailto:simon.hughes@norfolk.gov.uk)



If you need this report in large print, audio, Braille, alternative format or in a different language please contact 0344 800 8020 or 0344 800 8011 (textphone) and we will do our best to help.

\\norfolk.gov.uk\nccdfs1\CorporateProperty\Team Admin\Meetings\Committees\Business and Property Committee\2018-2019\18.07.03\Final report\18.07.03 B&P committee disposal, acquisition and exploitation of properties report (rfiwb) FINAL 1.0.doc